

# **TAB 4**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**SKILL PANEL UPDATE**

Skill panels are proving to be important investments aligning workforce and economic development strategies in Washington State. The panels are forums for diverse stakeholders to keep current on industry needs, and identify skill gaps that employers and workers are facing in the current and future economic market.

Since 2001, Washington State's skill panel investments have been in some of the following industries: Construction, Health Care, Information Technology, Energy, Electronics, Agriculture and Food Processing, Marine Services, Biotechnology, and Computer Game Software.

The initial investment made by the Workforce Training and Education Coordinating Board has provided an incentive to recipients to leverage additional financial support from other public or private sources.

The attached paper includes a brief background of skill panels, a summary of key industries and clusters, how skill panels have made and continue to make a difference in the workforce system, how funds have been leveraged, leadership, skill panel challenges, and sustaining skill panels through future investments.

**Board Action:** None. For informational and discussion purposes only.

# INVESTING IN WASHINGTON'S CLUSTER APPROACH IDENTIFYING KEY INDUSTRIES THROUGH A SKILL PANEL STRATEGY

## Background

Connecting workforce and economic development is one of the most important leadership contributions skill panels make to the workforce system. As described by both the State Board for Community and Technical Colleges (SBCTC) and the Department of Community, Trade, and Economic Development,<sup>1</sup> “regional industry clusters are concentrations of related businesses that share the same markets, workforce, and knowledge, and whose competitive advantage is related to their location.” The National Governors Association report, “A Governor’s Guide to Cluster-Based Economic Development” identifies human capital as the single most important resource of any cluster in today’s economy.<sup>2</sup>

Skill panels emerge from key regional industries and state industry clusters. Workforce Development Councils (WDCs), community colleges, private technical colleges, business trade associations, and community-based organizations that are achieving results through skill panels recognize how clusters organize the work of their panel around a key industry. Their ability to work with an industry and its supply chain cluster to gain knowledge of what skills are needed for jobs and how to prepare workers who meet those qualifications is a key competitive advantage for all partners. This strategy has designed a new way of doing business.

Joel Cutcher-Gershenfeld makes a compelling statement about the aerospace industry that would apply to many other industries in our state. Skill panels can help the state address the challenges noted below for all key industries on a continuing basis.

“Skills are a competitive advantage,” said Joel Cutcher-Gershenfeld, senior research scientist at the Massachusetts Institute of Technology’s Sloan School of Management and executive director of MIT’s Lean Aerospace Initiative. “The old social contract was ‘if you come to work regularly and follow the rules, we’ll continue to employ you in the same job.’ That contract has been shattered over the past 10 years by global competition and other factors,” he said. “Now companies are saying ‘we can’t guarantee to continue your job, but if you continue to build your skills, we can continue to employ you,’” he said.

“Although the U.S. aerospace industry has far to go in establishing the mechanisms to instill this culture, there’s a clear advantage when people learn skills that will keep them employable over a lifetime, and for an employer to have a workforce that is current and capable,” Cutcher-Gershenfeld said.

“Simply stated, lifelong employability is a strategy whereby the company and individual employees jointly plan new training, education and work assignments to upgrade the employee’s skill and experience levels continuously.”

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<sup>1</sup> Porter, Michael. “Sharpening Washington’s Competitive Edge: A Blueprint for Economic Development.” State Board for Community and Technical Colleges, 2003.

<sup>2</sup> Rosenfeld, Stuart. “A Governor’s Guide to Cluster-Based Economic Development.” National Governor’s Association, 2002.

Created by the 2000 Legislature from a proposal from Governor Locke, a \$600,000 investment in industry skill panels was made to identify skill gaps in key industries that drive Washington States economy. Governor Locke has earmarked Workforce Investment Act (WIA) statewide discretionary funds to support the Workforce Training and Education Coordinating Board's (Workforce Board) skill panel initiative through 2005.

This initiative is a strategy to enable industry to fulfill its role as an important partner to contribute and participate in designing our state's future workforce. Skill panels foster an environment of knowledge sharing among individuals who take action, make investments, and make recommendations for immediate and future policy changes.

Since 2001 Washington State's investment in skill panels has affected the following industries: Biotechnology, Computer Game Software, Construction, Electronics, Energy, Food Processing and Agriculture, Health Care, Information Technology, Manufacturing, and Marine Services. Today, over 300 business partners are actively engaged in this effort.

### Funding New Skill Panels

A 2002 analysis rated clusters by averaging their rankings across four criteria—employment size, employment growth, the location coefficient, and the percentage of workers receiving a living wage.<sup>3</sup> (Table A was produced by the Workforce Board, based upon this work.)

<b>Table A. Key Industries by Region</b>					
Spokane	Eastern Balance <sup>1</sup>	Pierce	King/ Snohomish	Southwest <sup>2</sup>	Northwest <sup>3</sup>
1. Health Care	1. Health Care	1. Health Care	1. Software	1. Construction	1. Construction
2. Construction	2. Education/ Social Services	2. Construction	2. Aircraft	2. Health Care	2. Health Care
3. Wholesale Trade	3. Transportation	3. Aircraft	3. Construction	3. Education/ Social Services	3. Transportation
4. Metal Fabrication	4. Wholesale Trade	4. Ship/Boat Building/ Repair	4. Business Services	4. Transportation	4. Education/ Social Services
5. Transportation	5. Agriculture.	5. Wholesale Trade	5. Health Care	5. Communica- tions	5. Ship/Boat Building/Repai
6. Electronics Instruments	6. Food Processing Wood Products	6. Education	6. Ship/Boat Building/ Repair	6. Wood Products	6. Wood Products

<sup>1</sup>Eastern Balance includes all counties in Eastern Washington other than Spokane.  
<sup>2</sup>Southwest includes Grays Harbor, Lewis, Mason, Pacific, Thurston, Clark, Cowlitz, Skamania and Wahkiakum counties.  
<sup>3</sup>Northwest includes Clallam, Jefferson, Kitsap, Island, San Juan, Skagit and Whatcom counties.  
Source: Sommers and Heg, 2002.

The Workforce Board, Employment Security Department (ESD), and the State Board of Community and Technical Colleges (SBCTC) are working together to support investments in local communities. Skill panels have been an important catalyst in this process. Skill panels, Centers of Excellence and the Targeted Industry Partnerships and Industries of the Future Skills Training Projects (IFST) efforts are connecting their work locally, leveraging planning, resources, and industry subject matter expertise as indicated below.

<sup>3</sup> Paul Sommers and Deena Heg, "Occupational Demand and Supply by Industry Cluster and Region," a report prepared for SBCTC and the Workforce Board, Daniel J. Evans School of Public Affairs, University of Washington, October 2002.



In 2003, SBCTC supported six “Centers of Excellence.” These centers are colleges that industries rely on to understand their particular needs and interests, to solve their skill-related problems, to ensure a continuing flow of new entrants, and to provide a source of upgrading its existing workforce. ESD supported local regions through the TIP, IFST projects. Table B summarizes these efforts across the state.

<b>Table B. Skill panels by industry in each region</b>					
Spokane	Eastern Balance	Pierce	King/ Snohomish	Southwest	Northwest
1. Health Care	1. Health Care 2. Agriculture/ Food Processing 3. Wood Products	1. Health Care 2. Construction 3. Electronics 4. Information Technology	1. Software 2. Construction 3. Health Care 4. Information Technology	1. Health Care	1. Construction 2. Health Care 3. Manufacturing 4. Information Technology 5. Marine Services
<b>State Board of Community and Technical Colleges - Centers of Excellence 2003 - 2005</b>					
	1. Health Care Yakima Valley Community College  2. Agriculture Walla Walla Community College		1. Materials Technology in Manufacturing Edmonds Community College  2. Center for Manufacturing Excellence Shoreline Community College	1. Power Plant Operations And Generation Centralia Community College	1. Process Manufacturing Skagit Valley Community College
<b>Employment Security Department – Targeted Industry Partnerships 2003- 2004</b>					
1. Health Care 2. Education	1. Health Care	1. Construction	1. Information Technology	1. Health Care	1. Manufacturing 2. Health Care
<b>Employment Security Department – Industries of the Future Skills Training Projects 2002 - 2003</b>					
1. Education 2. Healthcare 3. Building, Paving and Highway Construction	1. Ag and Food Processing 2. Industrial and Construction 3. Food Growers and Processors 4. Manufacturing	1. Healthcare	1. Wired and Wireless 2. Retail Services 3. Healthcare	1. Semi Conductor	1. Health Care

This brings us to look at potential industries still needing development in specific regions and throughout the state. In a June 2004 WDC Director's identified the industries in their communities that are poised to develop a skill panels.

<b>Table C. Potential New Skill Panels</b>					
Spokane	Eastern Balance	Pierce	King/ Snohomish	Southwest	Northwest
1. Construction 2. Information Technology 3. Education	1. Wine 2. Construction 3. Process Technology 4. Manufacturing	1. Financial and Business Services 5. Hospitality and Tourism	1. Aircraft 2. Financial and Business Services 3. Transportation 4. Biotechnology/Biomedical 5. Hospitality and Tourism 6. Homeland Security	1. Pulp and Paper 2. Metals 3. Process Technology	1. Construction 2. Agriculture and Food Processing 3. Ship/Boat Building/Repair

### **Continuation of Skill Panels**

In addition, there is interest by industry leaders and the local areas to form new skill panels for Information Technology, Construction, Aircraft Manufacturing, Marine Services (Boat Building), and Food Processing for their geographic areas. Skill panels already formed in other geographic regions for these industries can share information, products and tools, and strategies. Some of the same companies may be involved that have multiple offices or manufacturing plants throughout the state. The skill panels that have involved business and trade associations seem to have more cohesiveness and deliver results that employers are seeking. As more panels are formed in different areas of the state, business and trade association involvement is critical to connect trends and benefit from best practices throughout the state.

The current strategy for funding skill panels is to provide three years of seed money, in declining amounts. Most of the panels have needed the three-year funding to start and mature their panel and to develop tools for key industries to help close the skill gap. In conversations with many of the skill panels, the following four organizational directions are being taken as a part of their sustainability plans, a required product for the panels.

1. The fiscal agent, i.e. WDC, community college, trade association, or community-based organization, makes skill panels part of their strategic plan and intends to continue or start new skill panels in the future. Funding for sustainability will come from a variety of different sources.
2. The skill panel completes their panel plan and recommendations are made to form a new non-profit organization that will take the workforce intermediary role to implement their plan for the industry. These panels need higher levels of investments initially due to their start up nature—much like starting a new business.
3. The skill panel works with an existing partner to identify other projects, entities, or organizations that can carry out and implement the various aspects of the work of the skill panel. In this case, ownership of the skill panel may or may not move to another organization depending on the nature of the partnership.

4. A skill panel completes its work and it may appear that the panel has ended. Then, through other efforts in a region (cluster), the work of the skill panel and their partners appear as part of a larger industry effort. Some examples include: the Marine Safety Skill Panel, now connected with Clallum netWorks; the Biotechnology Skill Panel in Spokane now known as INTEC, the Food Processing Skill Panel in the North Central part of the state became a part of the Eastern Washington Agriculture and Food Processing Partnership.

### **Leveraged Funding**

Skill panels are important strategic investments, aligning workforce and economic development strategies. Virtually all skill panels, through their fiscal agent, have used Workforce Board awards to leverage additional financial support from other public or private resources. ESD and SBCTC are key partners in this effort. All panels support workforce partners' efforts to generate funds for training and capacity building in targeted industries.

As indicated earlier, the skill panel funding strategy has been based on a phased-down approach; skill panels could apply for reduced funding levels over a three-year period. Some skill panels will complete their third phase of funding in June 2004. Some have plans for continuation in spite of tight budgets, some have raised additional money, and others are uncertain how they will sustain their efforts.

Leveraged funding has come from the following sources: H1-B; 503 Incentive Award (Health Care); ESD's TIP and IFST; SBCTC's High-Demand Grants and Centers of Excellence; the U.S. Department of Health and Human Services–Health Resources and Services Administration; Department of Labor–Technical Assistance Grants to connect WorkSource to skill panels; WIA Incentive and Formula funds; private contributions; and others.

For Health Care, the Workforce Board invested \$1.2 million in skill panels for 12 workforce development areas in the state. An estimate of the additional funding to support Health Care through many of the sources listed above in our state is \$36 million. The Health Care industry, with its workforce partners, have located resources to provide for planning, other training, assessment, curriculum, expansion of programs, scholarships, internships, infrastructure, and much more.

For the 7 current skill panels in other industries, the Workforce Board invested \$1 million in the panels, and the estimate for leveraged resources is \$6.3 million.

## **Leadership**

Panels appear to benefit when a balanced mix of visionaries, planners, marketers, implementers, and subject matter experts are involved. Partnership leadership requires a commitment to change, systems thinking, connecting local and state data, a deep knowledge of all stakeholders, an ability to show stakeholders where they have common ground, and a high level of communication. Panels need organizational leadership, as well as experienced skill panel managers who can engage employers and employer associations, all public partners, and labor organizations. The job of a skill panel manager requires a range of skills, such as fundraising, facilitation, strategic planning expertise, and people skills to ensure that all organizations' needs are met. At the same time, panel leaders ensure that workers will benefit by having new skills and employers can keep people employed. The goal is to create a pool of trained workers for employers to draw from when new positions or openings are available.

Leaders in high-demand industries collaborate on existing and future challenges with a common focus. Although partnerships are not new to the private sector, many have not partnered with the public sector. Skill panels are providing a common language and the knowledge of differences in organizational cultures for all partners. As a result, relationships are being built and strengthened to generate ideas that make sense, and can be designed to meet the needs of partners who often perceive themselves as having disparate missions. Staying current in industry trends that keep our state economically sound is essential for all partners. Panel members from industry and labor are key in the development of the skill panel work to ensure that real-time information from industry is captured.

## **Industry Trade and Business Associations**

There are only a few industry trade associations in the state that have taken a strong workforce development leadership position by engaging in public-private partnerships, such as the Northwest Food Processors Association, Association of Washington Business, and the Washington State Hospital Association. A few associations have made workforce development part of their legislative agenda, such as food processing and health care. When panels are productive, associations can effectively market to their membership and get buy-in from their boards of directors and members quickly. When this model is in place, change is directed from the top and skill panels reap many benefits for both employers and workers.

## **Marketing**

From a marketing perspective, regional leaders comment that skill panels are the best tools they have had to engage business since the inception of WIA. Skill panels are becoming local and national public relations tools for proactive messages about how public and private partners work together. Many local newspapers in the state have featured news stories regarding the work of the panels, showing how they strengthen their communities. In the 2000 Legislature, Washington State's skill panel strategy to link workforce and economic development was inspired by Rich Nafziger, former policy advisor to Governor Locke and acting Chair of the Workforce Board, currently Chief Clerk for the Washington State House of Representatives. This strategy attracts national attention from organizations such as the National Association for Manufacturing, the U.S. Chamber of Commerce, the National Governors Association, and Jobs for the Future.

## **Challenges**

### **Change and Uncertainty**

All skill panels have both common and unique challenges. Industries in transition, such as Information Technology, Marine Services, Construction, Electronics, Energy, and Manufacturing, grapple with convincing stakeholders that change is needed or required. Once convinced, changing large established educational and corporate human resource systems can be slow and cumbersome.

Emerging industries, such as Game Software Development and Biotechnology, are engaged in determining what might be needed in the future. The future is sometimes amorphous and public partners find it difficult to understand new skills and careers that may not exist today. The dilemma for education partners is that without information on what the future jobs will be, it is difficult to develop a course of study, yet in the future many of the entry-level jobs will be in these industries. When an industry is not in crisis there is less of a sense of urgency to change or collaborate. Due to the highly competitive nature of emerging industries, employers often do not trust each other in a collaborative environment, and are more resistant to finding common ground. Many of the emerging industries require higher education requirements.

### **Establishing Long Term Partnerships**

Most skill panels are relatively new public-private partnerships. Some need more time to mature. All skill panels start at a different point and grow at a different rate. Those in highly competitive industries and emerging industries need more time to evolve. Industries in crisis have better results because the immediate stakes are higher to stay competitive, or even in business. When companies cannot find skilled workers, they look to current workers who have potential to upgrade their skills. Once skills are upgraded, companies risk losing workers to their competitors and other industries who offer higher wages. This happens because many industries require technology-based skills. If a worker has training in specific technologies, they have the opportunity to work in almost any company in an industry. On the one hand, this creates higher-wage jobs for workers in traditionally lower-wage industries; on the other, it can lower profit margins which could cause an increase in cost to the consumer, a business closure, layoffs, elimination of benefits, increased overtime, etc. There is a delicate balance, particularly in industries that have slim profit margins, such as agriculture, hospitality and tourism, and suppliers to many key industries. Economics drive how companies make decisions to stay competitive. Public partners rely on business not only to provide family-wage jobs to the workers in Washington State, but to stay in our state and grow so more jobs will be available.

### **Business and Trade Association Leadership**

Many trade or business associations have not made workforce development a priority. Workforce development is often seen as an expense to an industry instead of a human capital investment. Those associations, who have spent the time educating their membership regarding the value of public-private partnerships, and the return on investment to the industry, can document the benefits. Success stories spread across the industry and give business and trade associations a platform to move workforce development to a higher level of importance.

Business and trade associations have a range of geographic boundaries, from a single community, the state, a northwest region including multiple states, and national organizations that have sections in each state, such as plastics and information technology. There are only a few models in the country that provide a roadmap of how public entities and business and trade associations can work across boundaries successfully for the common goal of closing the skill gap so people have family-wage jobs and business can thrive and grow in our state. The Eastern Washington Agriculture and Food Processing Partnership in our state is one of those models.

### **Evaluation and Measurement**

Currently all evaluation and measurement for skill panels is performed through a qualitative process. This process includes field visits, consultation with skill panels, analysis across skill panels to determine trends and results, anecdotal information, workshops that bring panel managers together, informal field surveys, and media, etc. A more formal quantitative process could be developed across the workforce system to measure the impact to employers and workers. This analysis should be done across the workforce system to show how all partners connect for successful cluster strategies in our state.

### **SUSTAINING SKILL PANELS**

#### **A Case for Continued Investment**

If workforce stakeholders are confident in the value of industry-led skill panels to align workforce training with industry needs, investment strategies must continually be refined.

Job skills across industries are changing. Technology has increased the need for all workers to be able to perform complex tasks, even in entry-level positions. All workers—employed, unemployed, and underemployed—will need continued skill upgrades to remain current with today’s marketplace. This creates more of a challenge for the public system to increase the basic skills of low income and diverse populations.

As a state, we also need to look at how to determine where the public dollar begins and ends. Will there always be a level of investment needed to ensure that public and private partners work collaboratively on behalf of key industries that make up clusters in our state? Or, do some industries need public assistance, while some do not? More thought will be required to address how international markets affect local markets. And, how will transitioning industries, such as manufacturing and construction, address the looming retirements of the workforce known as the “baby boomers”?

Skill panel results, successes, and challenges document what works, and what doesn’t. They address barriers that might impede progress, and provide recommendations for change. Change comes in a variety of forms from practical immediate action to policy recommendations that may be needed to help industries be more successful and create more jobs. Skill panel results and data provide evidence that public-private partnerships work. This evidence supports change and helps to enhance investments throughout the workforce system and the employer community.

To this end, three years of work and investments by the workforce community (defined as federal, state, and regional public agencies, and the private sector to include business, business and trade associations, and foundations) are delivering some of the following results:

- The development of tools and products such as curricula, skill standards, assessment tools, and new apprenticeship programs.
- Interest and action from the media on workforce development topics and achievements.
- Industry or regional centered research that provides credible, real-time information on key industries to base recommendations and decisions to help close the skill gaps.
- Shared instructional design and curricula, resulting in the ability for companies with multiple locations to use courses that are consistent throughout the state.

The panels have produced valuable products and services that are being used to further close the skill gap. New relationships have been formed and partners who have participated have a deeper knowledge of the public and private workforce challenges so they can work together more effectively. For some industries, substantial leveraged funding has been obtained to further plans and implement strategies. Skill panels are helping Washington State meet its four goals in the state strategic plan, "High Skills, High Wages 2004, Washington's Strategic Plan for Workforce Development."

## **Conclusion**

The state can, without doubt, say that the concept of skill panels is working across our state. Employers, workers, and educators are working together for common goals. Partnerships with key industries and clusters have become a new way of doing business. The initial investment of \$600,000 from the 2000 Legislature was intended to see if a skill panel strategy worked. With a three-year track record of investments from WIA 10 percent discretionary funds, many tangible results, and over 300 business partners contributing to closing the skill gap, now is the time to explore providing more stable funding for the strategy to enable expansion to more industries throughout the state.

# **TAB 5**



**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**ADJUSTED LEVELS OF PERFORMANCE FOR WIA TITLE I-B**

The Workforce Training and Education Coordinating Board (Workforce Board) and the Department of Labor (DOL) agreed on performance targets for Title I-B of the Workforce Investment Act (WIA) for the current year. These targets are officially known as adjusted levels of performance. Targets are set before the demographics of participants and the economic conditions that they face are known. The Workforce Board may, on behalf of the Governor, request revisions in the adjusted levels of performance to respond to changes in economic conditions or the demographic characteristics of program participants. Revision requests for the current year must be made prior to July 1, 2004.

In order to evaluate the impact of economic conditions and the demographic characteristics of participants the Workforce Board created mathematical regression models. DOL has accepted this methodology as a basis for revising the adjusted levels of performance. Based on the regression models, in 2002 and 2003 the Workforce Board successfully negotiated revisions in the adjusted levels of performance, lowering the targets for some measures due to the economic recession and changes in participant characteristics.

Workforce Board staff have calculated the possible revisions for this year's targets using the regression models (table attached). For dislocated worker earnings gains, the model shows the target should be lowered by .4 percentage points due to higher preprogram earnings among participants. The model for participant satisfaction shows the target should be lowered by .22 points due to a change in the case mix of participants; for example, a higher percentage of people 40 years of age or older and people with a baccalaureate degree—groups that tend to have lower satisfaction scores.

The models show the adjusted levels of performance should be raised for the four measures for older youth because the participants were easier to serve than were assumed at the time the targets were set. The older youth participants, compared to the baseline years, consisted of a lower percentage of Native Americans, African Americans, offenders, homeless, high school dropouts, and people with disabilities. According to the models the entered and retained employment levels should both be raised by .6 percentage points, the earnings gain level should be raised by \$170 per participant, and the employment and credential level should be raised by .8 percentage points. The proposed adjustments would not interfere with our ability to meet federal youth targets. After adjustments, based upon the latest quarterly report, we would meet 112 percent of our federal youth targets instead of 113 percent.

This is the first time that Washington would be requesting that the adjusted levels of performance be revised upwards. When staff first starting using regression models to adjust performance levels in 2002, Board members asked staff whether the adjustments would be only in one direction—lowering targets. Staff responded that the models could be used to raise levels as well as lower them, and that there would be important reasons for doing so. Unless targets were raised, as well as lowered, there would be an incentive to serve easier to serve participants (creaming) in order to meet targets. Unless targets were raised, as well as lowered, performance against targets could not be used as an indicator of how well programs were performing.

It should also be emphasized that in requesting revisions to the adjusted levels of performance the Workforce Board is acting on behalf of the Governor. Governor Locke has made it clear that he wants high standards. He recently stated that in his view setting high expectations for state government is one of his legacies. As the Governor put it, “Setting high expectations can never be wrong.”

**Board Action Requested:** Adoption of the Recommended Motion

## **RECOMMENDED MOTION**

**WHEREAS**, Title I-B of the Workforce Investment Act authorizes the Governor to request revisions from the United States Department of Labor in the state adjusted levels of performance if unanticipated circumstances arise in economic conditions or the characteristics of participants; and

**WHEREAS**, Governor Locke supports setting high standards for state government; and

**WHEREAS**, The Governor has delegated the responsibility for requesting revisions in the adjusted levels of performance to the Workforce Training and Education Coordinating Board; and

**WHEREAS**, The Workforce Training and Education Coordinating Board has created mathematical regression models to estimate the effects of economic conditions and participant characteristics on Title I-B performance and the models have been accepted by the United States Department of Labor; and

**WHEREAS**, Workforce Training and Education Coordinating Board staff have used the regression models to propose revised adjusted levels of performance for the current program year.

**THEREFORE BE IT RESOLVED**, The Workforce Training and Education Coordinating Board approves proposing to the United States Department of Labor the revised adjusted levels of performance in the attached table.

**Proposed Revisions in the Adjusted Levels of Performance for Program Year (PY) 03**

<b>Measures</b>	<b>Agreed Upon Adjusted Level of Performance for PY03</b>	<b>Proposed Revised Adjusted Level of Performance</b>
Adult Entered Employment	75.0%	No Change
Adult Employment Retention	81.0%	No Change
Adult Earnings Gain	\$3,600	No Change
Adult Employment and Credential Rate	68.0%	No Change
Dislocated Worker Entered Employment	78.5%	No Change
Dislocated Worker Employment Retention	90.5%	No Change
Dislocated Worker Earnings Gain	86.0%	85.6%
Dislocated Worker Employment and Credential	70.0%	No Change
Older Youth Entered Employment	70.0%	70.6%
Older Youth Employment Retention	78.0%	78.6%
Older Youth Earnings Gain	\$2,850	\$3,020
Older Youth Employment and Credential	45.0%	45.8%
Younger Youth Skill Gains	73.0%	No Change
Younger Youth High School Diploma Rate	52.0%	No Change
Younger Youth Retention	58.5%	No Change
Employer Satisfaction Score	68.0	No Change
Participant Satisfaction Score	75.0	74.78

# **TAB 6**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**PROGRESS REPORTS**

This tab includes information to update the Board on several current initiatives. They include:

- Workforce Strategies 2004: Leading in a Global Economy
- Integrated Performance Information Project
- Apprenticeship Expansion Initiative
- Work Readiness Credential
- Dropout Reduction Initiative

The meeting will allow time for a brief discussion of these items and for any clarification or comment from the Board.

**Board Action Required:** None. For discussion only.

## **Workforce Strategies 2004: Leading in a Global Economy**

The Washington State Workforce Board will host our fourth leadership conference, "Workforce Strategies 2004: Leading in a Global Economy," at the Sheraton Hotel in Tacoma, Washington on November 9-10, 2004. This annual workforce development meeting will attract well over 600 leaders from across the state—and from other states (last year, we had a contingent from Hawaii!) Once again, this year's event promises high quality learning and networking opportunities. The conference begins at 8:30 a.m. on Tuesday, November 9 and ends on Wednesday, November 10 at 2:00 p.m. (after the Governor's Award Luncheon).

This year's conference focuses on the implications of the global economy on Washington's economy and workforce. We'll explore the real impact of globalization on our workforce. We'll examine public policy responses to "outsourcing," and we'll consider various workforce development strategies to promote "insourcing." In addition to the challenges and opportunities presented by "going global," the conference will focus on such enduring issues as wage progression, dropout prevention, marketing the workforce development system to the media, and innovative approaches to engaging employers.

As in previous years, co-sponsors will be solicited. Partner agencies will design the breakout sessions as well as present.

Best Practice Award winners will be recognized at the luncheon on November 10. Board members are encouraged to submit nominations.

To date, the following out-of-state presenters have been confirmed:

David Baime, Vice President for Governmental Relations, American Association of Community Colleges, Washington DC

Sallie Glickman, Executive Director, Philadelphia Workforce Investment Board, Philadelphia, Pennsylvania

Mark Greenberg, Director of Policy, Center for Law and Social Policy, Washington DC

Kimberly Green, Executive Director, National Association of State Directors of Career and Technical Association Consortium, Washington DC

Robert Schaefer, Director, Community Dynamics, Valparaiso, Indiana

Linda Woloshansky, President, Center for Workforce Innovation, Valparaiso, Indiana

Registration fee is \$200 by October 19, 2004, and \$225 after October 19, 2004.

Lodging is available at the Tacoma Sheraton Hotel, 1320 Broadway Plaza, Tacoma, at the conference rate of \$79 per night. To reserve a room, call (253) 572-3200 or toll-free at (800) 845-9466.

## **Integrated Performance Information (IPI) Project Update**

The Integrated Performance Information (IPI) Project is being conducted at the request of, and with the support of, the United States Department of Labor. The Workforce Training and Education Coordinating Board (Workforce Board) is leading a nationwide effort to build a consensus among the states on the next generation performance measurement system for workforce development programs, and to produce a Blueprint to guide states on how to build integrated performance information.

During the winter and spring of 2004, Workforce Board staff, with the assistance of the National Governors Association (NGA), have conducted three national meetings of teams from six leading edge states. Each state team has included representatives of a cross section of workforce development programs. There have been both policy and technical teams. At the last meeting, the policy teams came to agreement on the best performance measures for measuring consistently across programs, and across levels (national, state, and local) the results of workforce development programs. The teams have also examined the building of shared information systems to produce performance reports.

During the summer of 2004, Workforce Board staff, with the assistance of NGA and the leading edge states, will draft the Blueprint guide for states. Leading experts in the field of performance measurement will review the Blueprint. During the fall of 2004, Project staff from Washington, the other states, and NGA will conduct two institutes for approximately four states each. These institutes will be an opportunity to assist other states, build the consensus, and further perfect the Blueprint.

Dissemination activities will begin in late 2004 and are expected to continue into 2005. The activities will include special meetings with national associations and research organizations, national conferences on workforce development and other activities.



**Employment Security Department  
WIA Statewide Apprenticeship Training  
Summary of Projects**

<b>Workforce Development Council</b>	<b>Summary</b>		
Northwest (Whatcom, Skagit, Island and San Juan Counties)	WIA Funds: \$106,586	Match: \$55,000	Participants: 85
	Northwest in partnership with Skagit Valley College will provide apprentice training to Instructional Assistants and Education Paraprofessionals in Skagit Island and San Juan counties school districts. It is necessary for workers to update skills to keep their jobs. The training is mandated by federal law.		
Snohomish County	WIA Funds: \$150,000	Match: \$75,000	Participants: 15
	Snohomish will partner with the SunBridge Healthcare Corporation to create and implement a Certified Nursing Assistant - Restorative Aide Career Lattice Apprenticeship program for incumbent workers in Skilled Nursing Facilities.		
Seattle-King County	WIA Funds: \$250,000	Match: \$150,000	Participants: 130
	Seattle-King County in partnership with Apprenticeship & Nontraditional Employment for Women & Men (ANEW) will provide apprenticeship preparation training for trades in the construction industry.		
Seattle-King County	WIA Funds: \$157,039	Match: \$80,000	Participants: 235
	Seattle-King County in partnership with South Seattle Community College will develop three new & emerging apprenticeships in the following areas: Fire fighting, Healthcare & Truck Driving.		
Tacoma-Pierce County	WIA Funds: \$122,375	Match: \$61,188	Participants: 11
	Tacoma-Pierce County in partnership with Pierce County Construction Partnership will provide pre-apprenticeship training in the carpentry & electrician trades for employed high school students.		
Tri-County (Yakima, Kittitas and Klickitat Counties)	WIA Funds: \$250,000	Match: \$125,000	Participants: 430
	Tri-County's project targets pre-apprentices, apprentices and journeymen in the construction industry. The target group includes people who are underrepresented in the trades. This project is built on a firm partnership that includes business, labor, the Yakima Indian Nation, trade associations and multiple private and public training providers.		
<b>Totals</b>	<b>\$1,036,000</b>	<b>\$546,188</b>	<b>906</b>
Note: Contracts are currently being negotiated.			

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**WORK READINESS CREDENTIAL UPDATE**

Behind this face sheet is an update on the Work Readiness Credential project. In June 2003, the Workforce Training and Education Coordinating Board (Workforce Board) agreed to participate in this project, initiated by the National Institute for Literacy and the National Association of Manufacturers.

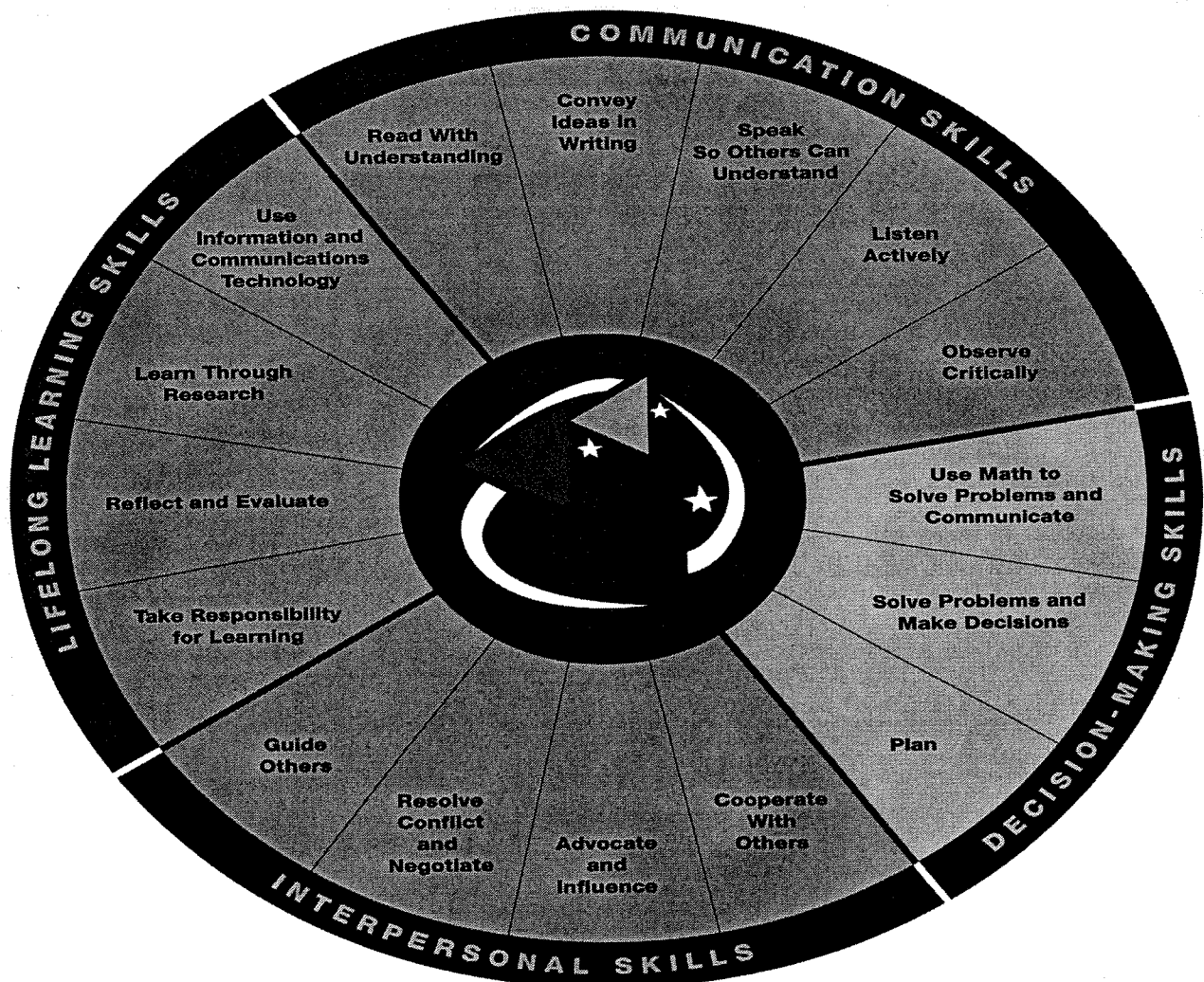
The project is now in the second of four phases. The summary under this face sheet provides background information, Phase I outcomes and the Washington State employers who participated, Phase II progress, and the project time line.

This tab also includes communication that explains changes with the National Institute For Literacy, and plans to engage the Center for Workforce Preparation/U.S. Chamber of Commerce as the new national sponsor of the credential (*Attachment C*).

**Board Action Required:** None. For informational purposes only.

**Work Readiness Credential Project Update**  
June 30, 2004

The Office of Adult Literacy was integral to the development of the Equipped For the Future (EFF) adult basic education content standards developed with the National Institute For Literacy (NIFL) in 1994. NIFL sought input from learners, instructors, and administrators located in Washington to craft these standards that cover what adults must know and be able to do to fulfill their roles as workers, parents and family members, and citizens. In addition to being an EFF development partner, adult basic education providers in the community and technical college system use EFF standards as a framework for assessments and program improvement activities.



**Figure 1. Equipped For the Future Adult Standards for Learning**

Source: National Institute for Literacy website, <http://novel.nifl.gov/lincs/collections/eff/eff.htm>.

## **Background**

Since 1994, NIFL has led a collaborative, nationwide effort to develop and implement 16 voluntary adult learning standards, known as EFF standards. Nearly 600 adult literacy programs in 38 states use these standards for teaching, and 17 states adopted these standards as statewide learning results for one or more of their adult systems, including Washington.

Using the EFF standards, the National Association of Manufacturers and NIFL initiated a project with the states of Florida, New Jersey, New York, and Washington to create a workplace readiness credential. State representatives are called the Policy Oversight Council (POC), and this group oversees the scope of work and product development for this project.

National partners include: the Manufacturing Skill Standards Council, the National Retail Foundation, the Center for Workforce Preparation/U.S. Chamber of Commerce, and the Institute of Educational Leadership.

In addition to the Workforce Board, local and state partners investing in this project include: North Central Workforce Development Council; Snohomish County Workforce Development Council; Southwest Washington Workforce Development Council; Tacoma-Pierce County Workforce Development Council; Association of Washington Business; Department of Community, Trade and Economic Development; and Employment Security Department.

There is a strong latent market for the Work Readiness Credential and the services it enables the workforce system to perform, latent because it is primarily identifiable by the volume and nature of problems expressed. According to a wide range of research reports released by industry associations and others over the last decade, companies find fewer than half of the applicants who respond to job announcements for entry-level positions to have the necessary qualifications. The situation is analogous to the market for “Xerox” copy machines, fax machines, and Fed Ex services. There was no expressed demand for any of these specific products. What existed were problems for which businesses needed solutions.

### **System Integration for the Work Readiness Credential**

The Work Readiness Credential is key to the workforce system in Washington State. This work is identified in the “High Skills, High Wages 2004: Washington’s Strategic Plan for Workforce Development” *Goal 1, Strategy 1.1.3 – Develop competency-based education and training programs, and modular curricula and assessments that are linked to industry skill standards.* The credential will be a cross-industry, portable tool that will guarantee employers that current or potential employees possess basic knowledge, skills, and abilities to succeed in today’s workplace.

This credential should provide valuable and cost-saving ways to address basic workplace readiness skill gaps, and recruit and retain workers who are job ready:

- For employers and workforce partners, the credential could represent achievement of desired basic workplace skills needed in many industries, no matter what the specific job may be. Skill panels will be important catalysts for this work.

- The credential could set a foundation and be able to add value to the existing assessments used at WorkSource Centers.
- For future workers, this credential could show students where their basic workplace skills meet workplace standards, and areas for improvement. The credential can add value to high school and postsecondary career guidance by helping students understand real industry expectations for basic work skills.
- Incumbent workers who are upgrading skills could use the credential to certify that they possess the skills for promotion and lateral changes.
- As the job market changes, dislocated workers need to be able to transfer their knowledge sets across a variety of work environments. Many receive training to upgrade or acquire new skills; others could use this credential to gain recognition for their own skill sets and to use them in new jobs or sectors.
- The building and construction trades receive more applications for apprenticeship slots than are available during their highly competitive screening process. Because trades provide rigorous training, the apprenticeship committees are looking for applicants with the basic workplace skills that the credential will certify.
- Trainers will be able to use the credential to help basic workplace skills deficient adults understand the workplace skills employers are looking for, and reach the workplace standard for success. The credential could be used to help teach life-long learning habits.
- Adult Basic Education programs that use EFF as their framework for assessments and program improvement activities could use the credential to measure students' progress, basic workplace skills gaps, and to certify that a person meets EFF-content based basic workplace skills once the student completes a program.

There will be many other uses for the credential as it starts to be implemented. This has been a need in the system for some time and a gap that has been difficult to close.

### **Progress**

The project is now in the second of four phases. The phases are sequentially designed to gather employer input, validate tools and assessments, field-test assessments, and to design and validate the credential by early 2006.

### **Phase I - Outcomes**

Phase I, the Work Readiness Profile, has been completed (*Attachment A*). Since June 2003, over 70 Washington State business representatives (companies listed below) participated in an online Importance Ratings Survey. Their input, combined with over 400 business representatives across the country, was used in Structured Feedback Sessions. This includes employers from industries within Washington's key sectors, including manufacturing and information technology, and numerous small- to mid-sized businesses in both urban and rural areas. Local partners and the Shoreline Manufacturing Skill Panel project manager were instrumental in ensuring companies' participation in both the survey and the feedback session.

AMB Tools & Equipment  
Association of Washington Business  
Cellar Café  
Central Washington Hospital  
Crawford & Company  
C-Tech Industries  
Dolco Packaging  
DoubleTree Suites  
Express Personnel  
Fred Meyer  
Goodrich Aviation Technical Services  
Hastings  
Highgate House Assisted Living  
Hobart Machines

Intermec  
Kimberly-Clark  
Micropump  
Mikron Technologies  
Pacific Associates  
Pacific NW Bank  
Seabear Seafoods  
Seattle City Light  
Sound Transit  
Starbucks  
Truchot Environmental Consulting, Inc.  
Venture Bank  
Verizon  
Wenatchee World Newspaper

Employer input was the basis of creation and validation of the Work Readiness Profile. The profile will serve as the standard for the set of basic workplace skills employers most want the credential to be able to certify across industries. The profile covers 10 core employability skills that are needed and applied in different work settings.

The 2004 Employer Survey results show the majority of responding firms had difficulty finding workers with problem solving or critical thinking skills (87 percent), communication skills (83 percent), and positive work habits, such as the ability to adapt (79 percent), team work (75 percent), and ability to accept supervision (69 percent). These findings are consistent with the skills identified in the work readiness profile. The credential could be a tool that helps to close the basic workplace readiness skills gap identified by Washington employers.

## **Phase II – Assessment Plan**

Phase II is now in progress. An assessment plan is now being prepared to outline the assessment design process, including selecting and designing instruments that will fit the profile. Assessments are tests based on standards for a certain set of skills, and provide a picture of a person's abilities in a skill area.

The assessment plan is being drafted by the national contractor to this project, Stanford Research Institute (SRI), with input from the POC (state representatives). This draft plan reviews existing assessments provided by states and identified through research that could potentially fit the work readiness profile. The goal is not to create a new assessment if an existing one will meet the needs of the work readiness credential profile. When existing assessments are identified, partnerships and/or agreements will be negotiated with the assessment organizations who retain the copyrights. The review and report is expected to be complete by July 2004 with a recommended assessment outlining the degree that the recommended assessment(s) will fit the work readiness profile. Consensus will then be sought from the states prior to the field test to validate alignment with the work readiness profile.

State and national partners submitted over 20 existing assessments to review for the assessment plan. Washington submitted Select Fit, WorkKeys, NOCTI, Employment Readiness Scale, and Learning Resources, Inc.

Desirable features for the assessment include:

- Application of skills and knowledge in work-appropriate contexts
- Flexible and modular
- On line delivery
- Ease of scoring
- Can be supplemented by a work history/professional development portfolio

Guidelines for assessment review were determined from these desired features, and to match the intent of the credential. To be considered, an existing tool would:

- Represent a national, cross-industry standard recognized by employers across the country
- Be accessible and affordable
- Be legally defensible
- Be predictive of competent performance in an entry-level job

Over the past few years, several assessment developers began packaging their products as certificates or credentials, as a market response to the Department of Labor's identified "attainment of a recognized credential" as one of the 15 core measures for adult, dislocated worker, and youth programs funded through WIA. Many of these tools were initially designed to measure other skills, or only match two to three of the core skills identified by business in Phase I of this project. They provide, however, a set of tools currently in use in the field.

This credential will measure broad foundation skills that are the building blocks to career development across many entry-level jobs, in many industries. It is intended to add value to assessments already being used in the public and private sectors.

In Phases III to IV, local partners and their business connections will field test and provide input that will lead to the validation of the credential. The timeline and major tasks for project phases II-IV are listed in *Attachment B*.

### **Promotion**

States are reviewing and contributing marketing materials that can be used in all four states. Dr. Sondra Stein, who retired from NIFL on March 31, 2004, will continue to support credential development as an advisor to the states. In this capacity, Dr. Stein developed a draft business plan in early June to garner support from additional states and national partners. This plan was also requested by the Center for Workforce Preparation/U.S. Chamber of Commerce for their consideration to become the national home for the Work Readiness Credential. When complete, this business plan will explain the relevance of the project to business, potential investors, and the market need for the credential. At the same time, a draft products and publication plan for support materials, including a product brochure and a curriculum guide, is being developed.

Once Phase II is near completion, results from field-testing will make it possible to design several marketing pieces to generate interest and share progress with a broad audience. A Products/Publications plan for support materials is being developed now by WestEd, a subcontractor to this project. In the meantime, Workforce Board staff will continue to engage employers and workforce partners across Washington, and will promote the project at upcoming events and through the agency's newsletter.

The Equipped for the Future Center for Training and Technical Assistance located at the University of Tennessee activated the "WRC Website" to promote the credential on May 15, 2004. This site will feature research and products created, and state and national partner contact information. The link is: <http://eff.cls.utk.edu/workreadiness>.




## THE EFF WORK READINESS PROFILE

# What New Workers in Entry Level Jobs Need to Be Able to Do

**New workers need to be able to use these EFF Skills...**

**well enough to successfully carry out these critical entry level tasks\*:**

Acquire and Use Information		Use Systems	Work With Others	Responsibility	Allocate Resources
<b>Communication Skills</b> <ul style="list-style-type: none"><li>Speaks So Others Can Understand</li><li>Listen Actively</li><li>Read With Understanding</li><li>Observe Critically</li></ul>	<b>Interpersonal Skills</b> <ul style="list-style-type: none"><li>Cooperate With Others</li><li>Resolve Conflict and Negotiate</li></ul>	<b>UNDERSTAND SYSTEMS</b> <ul style="list-style-type: none"><li>Understand how one's own performance can impact the success of the organization.</li><li>Comply with organizational policies and procedures in a consistent manner.</li><li>Pay attention to company guidelines regarding:<ul style="list-style-type: none"><li>Personal and professional interactions.</li><li>Appropriate dress.</li><li>Health and safety.</li></ul></li><li>Follow established procedures for handling urgent situations or emergencies.</li><li>Keep informed about quality and health standards set by external sources, including unions, OSHA, and other national and international organizations.</li><li>Go to the appropriate person/source when approval is needed for work-related activities.</li></ul>	<b>DIVERSITY</b> <ul style="list-style-type: none"><li>Work as part of a team to develop and achieve mutual goals and objectives.</li><li>Develop and maintain good working relations with coworkers, supervisors, and others throughout the organization, regardless of background or position:<ul style="list-style-type: none"><li>Be respectful and open to the thoughts, opinions, and contributions of others.</li></ul></li><li>Avoid use of language or comments that stereotype others.</li></ul>	<ul style="list-style-type: none"><li>Demonstrate willingness to work.</li><li>Take responsibility for completing one's own work assignments:<ul style="list-style-type: none"><li>Accurately.</li><li>On time.</li><li>To a high standard of quality.</li></ul></li><li>Even when the work is physically or mentally challenging.<ul style="list-style-type: none"><li>As efficiently as possible, to minimize costs, rework, and production time.</li></ul></li><li>Show initiative in carrying out work assignments.</li></ul>	<ul style="list-style-type: none"><li>Use basic math well enough to get the job done.</li><li>Manage time effectively to:<ul style="list-style-type: none"><li>Get the work done on schedule.</li><li>Prioritize tasks.</li><li>Make sure that urgent tasks are completed on time.</li></ul></li><li>Make sure that materials, tools, and equipment are available to do the job effectively.</li></ul>
		<b>Decision Making Skills</b> <ul style="list-style-type: none"><li>Use Math to Solve Problems and Communicate</li><li>Solve Problems and Make Decisions</li></ul>	<b>NEGOTIATE</b> <ul style="list-style-type: none"><li>Work through conflict constructively.</li></ul>	<b>Integrity</b> <ul style="list-style-type: none"><li>Demonstrate integrity.</li><li>Maintain confidentiality, as appropriate, about matters encountered in the work setting.</li></ul>	
<b>Use Technology</b> <ul style="list-style-type: none"><li>Learn how to use appropriate computer-based technology to get the job done most efficiently.</li><li>Be able to use a telephone, pager, radio, or other device to handle and process communication.</li><li>Make sure that all equipment is in safe working order.</li><li>Use equipment properly to minimize damage to equipment or injury to oneself or others.</li></ul>		<b>MONITOR AND CORRECT PERFORMANCE</b> <ul style="list-style-type: none"><li>Monitor quality of own work.</li><li>Accept and use constructive criticism for continuous improvement of own job performance.</li><li>Keep track of changes within the organization and adapt to them.</li></ul>	<b>Know How to Learn</b> <ul style="list-style-type: none"><li>Accept help from supervisors and coworkers.</li><li>Learn new/additional skills related to your job.</li><li>Learn about the products/ services of the organization.</li></ul>	<b>Self Management</b> <ul style="list-style-type: none"><li>Display responsible behaviors at work:<ul style="list-style-type: none"><li>Avoid absenteeism.</li><li>Demonstrate promptness.</li><li>Maintain appropriate grooming and hygiene.</li><li>Do not attend to personal business when on the job, except in emergencies.</li><li>Manage stressful situations effectively.</li></ul></li></ul>	<ul style="list-style-type: none"><li>*Tasks are organized according to SCANS categories.</li></ul>



**Equipped for the Future**

Equipped for the Future is an initiative of the National Institute for Literacy.



**Equipped  
for the Future**

Equipped for the Future is an initiative of the National Institute for Literacy.

DRAFT 12/05/03

## **Constructing a Work Readiness Credential**

### **Project Timeline**

#### **Phase 1: Establish EFF Skill Benchmarks and Design Credential Delivery System (December 2, 2002 – October 31, 2003)**

- Task 1.1: Develop a draft EFF Work Readiness Skills Profile (12/2/02 – 4/4/03)
- Task 1.2: Draft design for the credentialing process and delivery system (12/2/02 – 10/31/03)
- Task 1.3: Gather importance ratings of skills (4/7/03 – 6/13/03)
- Task 1.4: Conduct structured feedback sessions (6/16/03 – 9/26/03)
- Task 1.5: Revise skills profile (9/29/03 – 10/31/03)
- Task 1.6: Prepare products and publications plan (moved to Phase 2)
- Task 1.7: Conduct Policy Oversight Council (Policy Oversight Council) meetings (1/22/03, 10/30/03)

#### **Phase 2: Identify and/or Develop and Pilot Test Assessment Instruments for the EFF Work Readiness Credential (February 23, 2004 – March 11, 2005)**

- Task 2.1: Prepare assessment plan (2/23/04 – 5/14/04)
- Task 2.2: Identify existing instruments (3/8/04 – 5/14/04)
- 3<sup>rd</sup> Meeting of the POLICY OVERSIGHT COUNCIL – May 18, 2004*
- Task 2.3: Develop new instruments
  - Subtask 2.3.1: Develop assessment instruments (5/17/04 – 10/1/04)
  - Subtask 2.3.2: Develop structured interview (5/17/04 – 8/6/04)
- Task 2.4: Convert for computer- and/or Internet-based administration (5/24/04 – 11/5/04)
- 4<sup>th</sup> Meeting of the POLICY OVERSIGHT COUNCIL – mid-October 2004*
- Task 2.5: Pilot-test instruments (11/8/04 – 3/11/05)
- Task 2.6: Prepare curricular and instructional support materials (2/23/04 – 3/11/05)

#### **Phase 3: Field-Test Assessment Instruments to Determine Their Validity as Measures of Work Readiness Skills (March 14, 2005 – January 6, 2006)**

- Task 3.1: Specify validity evidence (3/14/05 – 4/1/05)
- 5<sup>th</sup> Meeting of the POLICY OVERSIGHT COUNCIL – late March 2005*
- Task 3.2: Validate assessment instruments
  - Subtask 3.2.1: Develop validation plan (4/4/05 – 4/15/05)

Subtask 3.2.2: Administer assessment instruments and collect criterion information (4/18/05 – 9/2/05)

Subtask 3.2.3: Conduct analyses (9/5/05 – 9/30/05)

Subtask 3.2.4: Prepare criterion-related validation report (10/3/05 – 11/4/05)

Task 3.3: Establish cut scores (11/7/05 – 1/6/06)

Task 3.4: Develop supporting products and publications (3/14/05 – 8/12/05)

**Phase 4: Develop and Field Test the Work Readiness Credentialing Process (March 14, 2005 – March 10, 2006)**

Task 4.1: Finalize design for the assessment instrument delivery system (3/14/05 – 7/8/05)

Task 4.2: Develop Work Readiness Credential support materials (8/22/05 – 1/27/06)

*6<sup>th</sup> Meeting of the POLICY OVERSIGHT COUNCIL – late January 2006*

Task 4.3: Field-test the credential delivery system (4/4/05 – 11/25/05)

Task 4.4: Design longitudinal evaluation (1/9/06 – 3/1/06)



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March 8, 2004

Ms. Pam Lund  
Associate Director of Partnerships Team  
Workforce Training, Education, & Coordinating Board  
128 10<sup>th</sup> Avenue SW  
P.O. Box 43105  
Olympia, WA 98504-3105

Dear Ms. Lund:

Two years ago, the National Institute For Literacy (NIFL) took an important step toward addressing the growing gap between the skills job seekers have and the skills needed in 21<sup>st</sup> century workplaces. With you and several other states and national organizations as partners, the Institute agreed to fund and manage the developmental phases of a work readiness credential based on the skills and abilities reflected in the Equipped for the Future (EFF) content standards for adult learning.

The Institute is proud to have provided the seed money and brought together a wonderful and strong partnership to work on such a critical matter. Your participation in this effort has contributed enormously to our progress. Working with businesses and workforce leaders in the four partner states we have been able to construct a work readiness profile that accurately reflects business consensus of what work readiness means. And the response to our ongoing national validation of the profile, carried out with the help of our national partners, demonstrates that indeed we have defined a profile that can serve as a national standard.

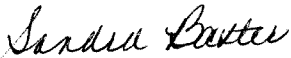
As you know, the joint MOU that governs our work on the project stipulates that "after the Institute's contract with SRI terminates, the State Partners will undertake the Institute's responsibilities through the Policy Oversight Council (POC)...and the POC will make a collective determination for how the work will be managed for the duration of the development period." The Institute's contract with SRI is scheduled to end on April 16, 2004. As we near this date, and as the project focuses on areas that increasingly demand expertise in the workforce system, it is time for us to begin transitioning the management of the EFF work credential project to the state partners.

Over the next several weeks, Sondra Stein, EFF's National Director, and June Crawford, the Institute's Acting Deputy Director, will work with you to plan and carry out the transition. Our goal will be to make sure that the transfer of management responsibilities from the Institute to the Policy Oversight Council goes swiftly and smoothly and does not in any way impede the progress and success of this important project.

Page 2

I am convinced that the EFF Work Readiness Credential will provide an important tool for both employers and jobseekers by providing a valid and reliable signal that jobseekers have mastered the knowledge and skills necessary to be work ready. I thank you for your commitment and hard work and look forward to your continued success.

Sincerely,



Sandra Baxter  
Interim Director

Cc: Regie Stites, SRI International

April 16, 2004

Beth Buehlmann, Executive Director  
Center for Workforce Preparation  
U.S. Chamber of Commerce  
1615 H Street, NW  
Washington, DC 20062

Dear Beth:

As of today, Florida, New Jersey, New York, and Washington, the state partners in the EFF Work Readiness Credential Project, officially take over management of the project from the National Institute for Literacy (NIFL). They are very interested in the Center for Workforce Preparation (CWP) at the U.S. Chamber of Commerce becoming the new national home for this important project. They have asked me, as project manager, to begin discussions with you about the possibility of CWP housing the coordinating function and taking a more active role in helping to market the credential to the business community.

As a member of the Policy Oversight Council for this project you know that the nationally portable work readiness credential we are developing will serve a critical need within the nation's workforce development system,

- providing individual job seekers with a reliable way to signal to prospective employers that they have the knowledge and skills necessary to meet the demands of the workplace and to learn on the job, and
- saving businesses millions of dollars in hiring and rehiring costs, by providing employers and intermediaries with a reliable and accurate tool for screening applicants.

The Center for Workforce Preparation is the states' first choice for a new national home for several reasons. The states believe it is time for us to move out of government into the private sector. Being part of the U.S Chamber would give the project the national credibility and visibility with business that is vital to our success. And there is such a strong fit between the goal of our project and the mission of CWP. The credential can be easily marketed as one of the array of products and services CWP offers employers to help them hire, train, and retain, and advance the qualified workers they need to remain competitive.

There are a number of benefits for CWP, as well, in assuming a more active and visible role in the effort. Because of the fit between the EFF Work Readiness Credential project and CWP's mission, this project offers:

- A tool for strengthening relationships with state and local chambers. I was pleased to see the responsiveness of local chambers to the survey Karen Elzey

sent out on our behalf. The state chambers in Florida, New Jersey and Washington have been actively engaged in promoting the project, since they see it as a service they can provide to their members.

- A tool for integrating measurement and accountability into a range of projects that CWP is already engaged in, including projects with Job Corps, Workplace Literacy, and Health Care Career Ladders.
- A way to extend the capacity and expertise of CWP. Since the credential defines a foundation for a range of career pathways, it provides a ready link to projects focused on community colleges and specific pathways. Plus, having me as part of your team means you'll have 24/7 access to the S.G. Stein resource center and data base in adult and workforce literacy!
- A way to increase exposure for CWP and CWP products and services in states and with sectors where CWP may not have a history of strong relationships.
- A possible source of revenue, downstream.

In order to help you evaluate this request, I have attached a summary work plan and budget for the project. This budget does not reflect the full costs of either my salary or administrative costs associated with project management, since these were, until now, part of NIFL's in kind contribution to the project. *There is no expectation that CWP would take on these expenses as part of agreeing to house the project.*

In order to increase the revenues available to the project to cover these new, unanticipated costs we are in the process of a more aggressive outreach campaign to states that have expressed an interest in the credential: these include California, Indiana, Massachusetts, Ohio, Pennsylvania, Rhode Island and Washington, D.C. We expect that by fall, when we are ready to pilot the work readiness assessment, we will have at least one new state partner. This will give us the necessary revenue to cover all currently projected expenditures for the duration of the project, including overhead and related support costs associated with project management at CWP or another organization.

Until that time, current revenue will be sufficient to cover salary, travel, etc. related to my project management duties (approximately 6 months). The only costs CWP would be expected to absorb during this period would be direct support costs (phone, internet, office support, etc.) which we estimate at \$600/month and whatever CWP's administrative overhead contribution to the Chamber usually is. The state partners have suggested that any agreement we reach with CWP might have a contingency clause that states CWP would not be responsible, at any point, for directly funding my salary, travel, or other related costs.

Over the next few weeks I will be conducting a full budget review with SRI to see if we can identify existing revenues that can be dedicated to project management for a longer period of time, without interfering with the success of the project. I will also be working with state partners to develop a business plan for the project.

I look forward to talking with you in the next week or so about CWP's interest in taking on this new role. Please let me know if you need any additional information, or if you

would like me to be part of a more formal briefing of CWP and Chamber staff. You can reach me at [sondragay@aol.com](mailto:sondragay@aol.com) or 202-271-7163.

Thanks very much for your ongoing support.

Talk to you soon.

Sondra Stein  
Project Manager  
EFF Work Readiness Credential



# **TAB 7**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT  
FUNDS UTILIZATION DISCUSSION**

**Background:**

The Board adopted the Carl D. Perkins Vocational and Technical Education Act Advance Planning Schedule at the May 13, 2004 meeting. The schedule provides the Board, the state recipient of these funds under RCW 28C.18, with a timeline that allows for a review of the Perkins III legislation and the federal funding for career and technical education, the current practices including uses of the funds and outcomes, and future planning considerations. At the June meeting, the Board will receive a series of presentations that includes:

- an overview of the current federal legislation
- a description of uses of funds by the Workforce Board
- descriptions of uses of funds distributed to the Office of the Superintendent of Public Instruction (OSPI) and the State Board for Community and Technical Colleges (SBCTC).

As indicated in the timeline, these presentations are to inform the Board and provide an opportunity for discussion about the uses of the funds and their applicability to the Board's goals. The staff from the agencies will then take the Board's comments into consideration in crafting options for targeting investments for the next funding cycle. The Board will discuss in October the resulting options.

Following this page is: (1) a summary of key provisions contained in the Perkins Act; (2) the PY 2004 Federal Funds Distribution Matrix adopted by the Board in May; (3) a brief description of how the Board uses the Perkins Act funds it retains; (4) information provided by OSPI; (5) information provided by SBCTC; and, 6) a series of questions to assist in the Board's discussion of the presentations and next steps.

**Action Required:** None. For informational purposes and discussion.

## Carl D. Perkins Vocational and Technical Education Act of 1998

### Key Provisions

The Carl D. Perkins Vocational and Technical Education Act was enacted on October 31, 1998. It amends the previous Perkins Act and is often referred to as “Perkins III.”

#### Purpose

“The purpose of this Act is to develop more fully the academic, vocational, and technical skills of secondary students and postsecondary students who elect to enroll in vocational and technical education programs, by:

1. Building on the efforts of States and localities to develop challenging academic standards.
2. Promoting the development of services and activities that integrate academic, vocational, and technical instruction, and that link secondary and postsecondary education for participating vocational and technical education students.
3. Increase State and local flexibility in providing services and activities designed to develop, implement, and improve vocational and technical education, including tech-prep education.
4. Disseminating national research and providing professional development and technical assistance, that will improve vocational and technical education programs, services, and activities.”

#### Allotment

Distribution to the states is based on a formula that includes the population cohorts of 15-19 year olds; 20-24 year olds; and 25-65 year olds. It is further impacted by per capita income when compared to other states.

Within the state, the following distribution occurs:

#### Basic Grant:

Eighty-five percent to local recipients (school districts and community and technical colleges) and can include a 10 percent reserve for rural areas, areas with high CTE numbers and percentages, and negatively impacted areas.

#### State Leadership:

Ten percent for state leadership that includes no more than 1 percent for correctional offenders and between \$60,000 and \$150,000 for non-traditional activities.

#### State Administration:

Five percent for state administration.

### Accountability

Each state must identify performance measures in four areas:

1. Student attainment of challenging State established academic, and vocational and technical, skill proficiencies.
2. Students attainment of a secondary school diploma or its recognized equivalent, a proficiency credential in conjunction with a secondary school diploma, or a postsecondary degree or credential.
3. Placement in, retention in, and completion of, postsecondary education or advanced training, placement in military service, or placement or retention in employment.
4. Student participation in, and completion of, vocational and technical education programs that lead to nontraditional training and employment.

These measures may be expressed in a percentage or numerical form, to be objective, quantifiable, and measurable and result in continuous improvement. Additional performance measures may be identified by the state. Levels of performance are negotiated with the Department of Education.

### State Administration

State Administration includes:

1. Coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for nontraditional training and employment.
2. Consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, representatives of businesses, labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title.
3. Convening and meeting as an eligible agency (consistent with State law and procedures for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than four times annually.
4. The adoption of such procedures as the eligible agency considers necessary to:
  - a.. Implement State level coordination with the activities undertaken by the State boards under section 111 of Public Law 105-220.
  - b. Make available to the service delivery system under section 121 of Public Law 105-220 within the State a listing of all school dropout, postsecondary, and adult programs assisted under this title.

### State Plan

The state plan shall include information that:

1. Describes the vocational and technical education activities to be assisted that are designed to meet or exceed the State adjusted levels of performance, including a description of:
  - a. The secondary and postsecondary vocational and technical education programs to be carried out, including programs that will be carried out by the eligible agency to develop, improve, and expand access to quality, state-of-the-art technology in vocational and technical education programs.
  - b. The criteria that will be used by the eligible agency in approving applications by eligible recipients for funds under this title.

- c. How such programs will prepare vocational and technical education students for opportunities in postsecondary education or entry into high skill, high wage jobs in current and emerging occupations.
  - d. How funds will be used to improve or develop new vocational and technical education courses.
2. Describes how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided.
3. Describes how the eligible agency will actively involve parents, teachers, local businesses (including small-and medium-sized businesses), and labor organizations in the planning, development, implementation, and evaluation of such vocational and technical education programs,
4. Describes how funds received by the eligible agency through the allotment made under section 111 will be allocated:
  - a. Among secondary school vocational and technical education, or postsecondary and adult vocational and technical education, or both, including the rationale for such allocation.
  - b. Among any consortia that will be formed among secondary schools and eligible institutions, and how funds will be allocated among the members of the consortia, including the rationale for such allocations.
5. Describes how eligible agency will:
  - a. Improve the academic and technical skills of students participating in vocational and technical education programs, including strengthening the academic, and vocational and technical, components of vocational and technical education programs through the integration of academics with vocational and technical education to ensure learning in the core academic, and vocation and technical, subject, and provide students with strong experience in, and understanding of, all aspects of an industry.
  - b. Ensure that students who participate in such vocational and technical education programs are taught to the same challenging academic proficiencies as are taught to all other students.
6. Describes how the eligible agency will annually evaluate the effectiveness of such vocational and technical education programs, and Describes, to the extent practicable, how the eligible agency is coordinating such programs to ensure non-duplication with other existing Federal programs.
7. Describes the eligible agency's program strategies for special populations.
8. Describes how individuals who are members of the special populations:
  - a. Will be provided with equal access to activities assisted under this title.
  - b. Will not be discriminated against on the basis of their status as members of the special populations.
  - c. Will be provided with programs designed to enable the special populations to meet or exceed State adjusted levels of performance, and prepare special populations for further learning and for high skill, high wage careers.
9. Describes what steps the eligible agency shall take to involve representatives of eligible recipients in the development of the State adjusted levels of performance.
10. Provide assurances that the eligible agency will comply with the requirements of this title and the provisions of the State plan, including the provision of a financial audit of funds received under this title which may be included as part of an audit of other Federal or State programs.

11. Provides assurance that none of the funds expended under this title will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interest of the purchasing entity, the employees of the purchasing entity, or any affiliate of such an organization.
12. Describes how the eligible agency will report data relating to students participating in vocational and technical education in order to adequately measure the progress of the students, including special populations.
13. Describes how the eligible agency will adequately address the needs of students in alternative education programs, if appropriate.
14. Describes how the eligible agency will provide local educational agencies, area vocational and technical education schools, and eligible institutions in the State with technical assistance.
15. Describes how vocational and technical education relates to State and regional occupational opportunities.
16. Describes the methods proposed for the joint planning and coordination of programs carried out under this title with other Federal education programs.
17. Describes how funds will be used to promote preparation for nontraditional training and employment.
18. Describes how funds will be used to serve individuals in State correctional institutions.
19. Describes how funds will be used effectively to link secondary and postsecondary education.
20. Describes how the eligible agency will ensure that the data reported to the eligible agency from local educational agencies and eligible institutions under this title and the data the eligible agency reports to the Secretary are complete, accurate, and reliable.
21. Contains the description and information specified in sections 112(b)(8) and 121(c) of Public Law 105-220 concerning the provision of services only for postsecondary students and school dropouts.

#### State Leadership

State leadership activities include both required and permissive uses. The required uses shall include:

1. An assessment of the vocational and technical education programs carried out with funds under this title that includes as assessment of how the needs of special populations are being met and how such programs are designed to enable special populations to meet State adjusted levels of performance and prepare the special populations for further learning or for high skill, high wage careers.
2. Developing, improving, or expanding the use of technology in vocational and technical education that may include:
  - a. Training of vocational and technical education personnel to use state-of-the-art technology, that may include distance learning.
  - b. Providing vocational and technical education students with the academic, and vocational and technical skills that lead to entry into the high technology and telecommunications field.
  - c. Encouraging schools to work with high technology industries to offer voluntary internships and mentoring programs
3. Professional development programs, including providing comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel, that:

- a. Will provide inservice and preservice training in state-of-the-art vocational and technical education programs and techniques, effective teaching skills based on research, and effective practices to improve parental and community involvement.
  - b. Will help teachers and personnel to assist students in meeting the State adjusted levels of performance established under section 113.
  - c. Will support education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to vocational and technical education students to ensure that such teachers stay current with the needs, expectations, and methods of industry.
  - d. Is integrated with the professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6001 et seq.) and title II of the High Education Act of 1965.
4. Support for vocational and technical education programs that improve the academic, and vocational and technical skills of students participating in vocational and technical education programs through the integration of academics with vocational and technical education to ensure learning in the core academic, and vocational and technical subjects.
  5. Providing preparation for nontraditional training and employment.
  6. Supporting partnerships among local educational agencies, institutions of higher education, adult education providers, and as appropriate, other entities, such as employers, labor organizations, parents, and local partnerships, to enable students to achieve State academic standards, and vocational and technical skills.
  7. Serving individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities.
  8. Support for programs for special populations that lead to high skill, high wage careers.

The permissive uses may include:

1. Technical assistance for eligible recipients.
2. Improvement of career guidance and academic counseling programs that assist students in making informed academic, and vocational and technical education decisions.
3. Establishment of agreements between secondary and postsecondary vocational and technical education programs in order to provide postsecondary education and training opportunities for students participating in such vocational and technical education programs, such as tech-prep programs.
4. Support for cooperative education.
5. Support for vocational and technical student organizations, especially with respect to efforts to increase the participation of students who are members of special populations.
6. Support for public charter schools operating secondary vocational and technical education programs.
7. Support for vocational and technical education programs that offer experience in, and understanding of, all aspects of an industry for which students are preparing to enter.
8. Support for family and consumer science programs.
9. Support for education and business partnerships.
10. Support to improve or develop new vocational and technical education courses.
11. Providing vocational and technical education programs for adults and school dropouts to complete their secondary school education.
12. Providing assistance to students, who have participated in services and activities under this title, in finding an appropriate job and continuing their education.

### Local Plans

Local plan contents shall:

1. Describes how the vocational and technical education programs required under section 135(b) will be carried out with funds received under this title.
2. Describes how the vocational and technical education activities will be carried out with respect to meeting State adjusted levels of performance established under section 113.
3. Describes how eligible recipients will:
  - a. Improve the academic and technical skills of students participating in vocational and technical education programs by strengthening the academic, and vocational and technical components of such programs through the integration of academics with vocational and technical education programs through a coherent sequence of courses to ensure learning in the core academic, and vocational and technical subjects.
  - b. Provide students with strong experience in and understanding of all aspects of an industry.
  - c. Ensure that students who participate in such vocational and technical education programs are taught to the same challenging academic proficiencies as are taught for all other students.
4. Describes how parents, students, teachers, representatives of business and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of vocational and technical education programs assisted under this title, and how such individuals and entities are effectively informed about, and assisted in understanding, the requirements of this title.
5. Provide assurances that the eligible recipient will provide a vocational and technical education program that is of such size, scope, and quality to bring about improvement in the quality of vocational and technical education programs.
6. Describes the process that will be used to independently evaluate and continuously improve the performance of the eligible recipient.
7. Describes how the eligible recipient:
  - a. Will review vocational and technical education programs, and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs, for special populations.
  - b. Will provide programs that are designed to enable the special populations to meet the State adjusted levels of performance.
8. Describes how individuals who are members of the special population will not be discriminated against on the basis of their status as members of the special population.
9. Describes how funds will be used to promote preparation for nontraditional training and employment.
10. Describes how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided.

### Local Uses of Funds

Local activities include both required and permissive uses. The required uses are to:

1. Strengthen the academic and vocational and technical skills of students participating in vocational and technical education programs by strengthening the academic and vocational and technical components of such programs through the integration of academics with vocational and technical education programs through a coherent sequence of courses to ensure learning in the core academic, and vocational and technical subjects.
2. Provide students with strong experiences in and understanding of all aspects of an industry.



3. Develop, improve, or expand the use of technology in vocational and technical education, which may include:
  - a. Training of vocational and technical education personnel to use state-of-the-art technology, which may include distance learning.
  - b. Providing vocational and technical education students with the academic, and vocational and technical skills that lead to entry into the high technology and telecommunications field.
  - c. Encourage schools to work with high technology industries to offer voluntary internships and mentoring programs.
4. Provide professional development programs to teachers, counselors, and administrators, including:
  - a. Inservice and preservices training in state-of-the-art vocational and technical education programs and techniques, in effective teaching skills based on research, and in effective practices to improve parental and community involvement.
  - b. Support of education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to vocational and technical education students, to ensure that such teachers, and personnel stay current with all aspects of an industry.
  - c. Internship programs that proved business experience to teachers.
  - d. Programs designed to train teachers specifically in the use and application of technology.
5. Develop and implement evaluations of the vocational and technical education programs carried out with funds under this title, including an assessment of how the needs of special populations are being met.
6. Initiate, improve, expand, and modernize quality vocational and technical education programs.
7. Provide services and activities that are of sufficient size, scope, and quality to be effective.
8. Link secondary vocational and technical education and postsecondary vocational and technical education, including implementing tech-prep programs.

The permissive activities may be used to:

1. To involve parents, businesses, and labor organizations as appropriate, in the design, implementation, and evaluation of vocational and technical education programs authorized under this title, including establishing effective programs and procedures to enable informed and effective participation in such programs.
2. To provide career guidance and academic counseling for students participating in vocational and technical education programs.
3. To provide work-related experience, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to vocational and technical education programs.
4. To provide programs for special populations.
5. For local education and business partnerships.
6. To assist vocational and technical student organizations.
7. For mentoring and support services.
8. For leasing, purchasing, upgrading or adapting equipment, including instructional aides.
9. For teacher preparation programs that assist individuals who are interested in becoming vocational and technical education instructors, including individuals with experience in business and industry.
10. For improving or developing new vocational and technical education courses.

11. To provide support for family and consumer sciences programs.
12. To provide vocational and technical education programs for adults and school dropouts to complete their secondary school education.
13. To provide assistance to students who have participated in services and activities under this title in finding an appropriate job and continuing their education.
14. To support nontraditional training and employment activities.
15. To support other vocational and technical education activities that are consistent with the purpose of this Act.

### Tech-Prep Education

Tech-Prep is a program that:

1. Combines at a minimum two years of secondary education (as determined under State law) with a minimum of two years of postsecondary education in a nonduplicative, sequential course of study.
2. Integrates academic, and vocation and technical, instruction, and utilizes work-based and worksite learning where appropriate and available.
3. Provides technical preparation in a career field such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, health occupations, business, or applied economics.
4. Builds student competence in mathematics, science, reading, writing, communications, economics, and workplace skills through applied contextual academics, and integrated instruction, in a coherent sequence of courses.
5. Leads to an associates or a baccalaureate degree or a postsecondary certificate in a specific career field.
6. Leads to placement in appropriate employment or to further education.

These are both required and permissive activities. Tech-Prep program shall:

1. Be carried out under an articulation agreement between the participants in the consortium.
2. Consist of at least 2 years of secondary school preceding graduation and 2 years or more of higher education, or an apprenticeship program of at least 2 years following secondary instruction, with a common core of required proficiency in mathematics, science, reading, writing, communications, and technologies designed to lead to an associate's degree or a postsecondary certificate in a specific career field.
3. Include the development of tech-prep programs for both secondary and post secondary, including consortium, participants in the consortium that:
  - a. Meets academic standards developed by the State.
  - b. Links secondary schools and two-year postsecondary institutions, and if possible and practicable, four-year institutions of high education through nonduplicative sequences of courses in career fields, including the investigation of opportunities for tech-prep secondary students to enroll concurrently in secondary and postsecondary coursework.
  - c. Uses, if appropriate and available, work-based or worksite learning in conjunction with business and all aspects of an industry.
  - d. Uses educational technology and distance learning, as appropriate, to involve all the consortium partners more fully in the development and operation of programs.
4. Include in-service training for teacher's that:
  - a. Is designed to train vocational and technical teachers to effectively implement tech-prep programs.
  - b. Provides for joint training for teachers in the tech-prep consortium.

- c. Is designed to ensure that teachers and administrators stay current with the needs, expectations, and methods of business and all aspects of an industry.
- d. Focuses on training postsecondary education faculty in the use of contextual and applied curricula and instruction.
- e. Provides training in the use and application of technology.
- 5. Include training programs for counselors designed to enable counselors to more effectively:
  - a. Provide information to students regarding tech-prep education programs.
  - b. Support student progress in completing tech-prep programs.
  - c. Provide information on related employment opportunities.
  - d. Ensure that such students are placed in appropriate employment.
  - e. Stay current with the needs, expectations, and methods of business and all aspects of an industry.
- 6. Provide equal access, to the full range of technical preparation programs, to individuals who are members of special populations, including the development of tech-prep program services appropriate to the needs of special populations.
- 7. Provide for preparatory services that assist participants in tech-prep programs.

Tech-Prep programs may:

- 1. Provide for the acquisition of tech-prep program equipment.
- 2. Acquire technical assistance from State or local entities that have designed, established, and operated tech-prep programs that have effectively used educational technology and distance learning in the delivery of curricula and services and in the articulation process.
- 3. Established articulation agreements with institutions of higher education, labor organizations, or businesses located inside or outside the State and served by the consortium, especially with regard to using distant learning and educational technology to provide for the delivery of services and programs.

#### Federal and State Provisions

- 1. Fiscal requirements include:
  - a. Supplement not supplant:  
Funds made available under this Act for vocational and technical education activities shall supplement, and shall not supplant non-Federal funds expended to carry out vocational and technical education activities and tech-prep activities.
  - b. Maintenance of effort determination:  
No payments shall be made under this Act for any fiscal year to a state for vocational and technical education programs or tech-prep programs unless the Secretary determines that the fiscal effort per student or the aggregate expenditures of such state for vocational and technical education programs for the fiscal year preceding the fiscal year for which the determination is made, equaled or exceeded such effort or expenditures for vocational and technical education programs, for the second fiscal year preceding the fiscal year for which the determination is made.

Each state must also provide, from non-Federal sources, a dollar for dollar match for administration that is not less than the amount provided for the preceding fiscal year.

Final Distribution of PY 2004  
Federal Vocational Education Funds  
July 1, 2004 – June 30, 2005

	OSPI	SBCTC	WTECB	ESD	TOTAL
<b>Title I</b>					
<b>Basic Programs</b> (Funding for Local Distributions)	<u>\$8,467,407</u>	<u>\$10,776,700</u>			<u>\$19,244,107</u>
Postsecondary 56% (Formula)		\$9,699,030			
Secondary 44% (Formula)	\$7,620,666				
Reserve (State Grants)	\$846,741	\$1,077,670			
<b>State Leadership</b> (Assessment & Research, Technology & Improved Programs, Partnerships & Articulation, Special Populations & Career Guidance, Professional & Curriculum Development, & Technical Assistance)	<u>\$1,118,644</u>	<u>\$823,088</u>	<u>\$95,880</u>	<u>\$226,401</u>	<u>\$2,264,013</u>
State & Local Level Activities	\$1,043,644			\$95,880	
Nontraditional Services (Required)	\$75,000				
Institutionalized Services (Required)				\$226,401	
<b>Administration</b> (State Planning & Coordination, Fiscal & Audit, Reporting & Accountability, Monitoring & Evaluation, Technical Assistance)	<u>\$277,681</u>	<u>\$318,320</u>	<u>\$536,005</u>		<u>\$1,132,006</u>
State Match (Required)	\$277,681	\$318,320	\$536,005		
<b>Total</b>	<u>\$9,863,732</u>	<u>\$11,918,108</u>	<u>\$631,885</u>	<u>\$226,401</u>	<u>\$22,640,126</u>
<b>Title II</b>					
<b>Tech Prep Programs</b> (Funding for Local Distribution)		\$1,936,455			
<b>Administration</b> (Same as above)		\$101,919			
<b>Total</b>		<u>\$2,038,374</u>			<u>\$2,038,374</u>
<b>Grand Total</b>	<u>\$9,863,732</u>	<u>\$13,956,482</u>	<u>\$631,885</u>	<u>\$226,401</u>	<u>\$24,678,500</u>

# **CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT**

## **Workforce Training and Education Coordinating Board Uses of the Funds**

The Workforce Training and Education Coordinating Board (Workforce Board) is the cognizant state agency responsible for the receipt and distribution of federal funds under the Carl D. Perkins Vocational and Technical Education Act (Perkins Act). The Workforce Board functions as the eligible agency described in the Perkins Act and as such, develops and coordinates the Perkins Act state plan, conducts accountability and evaluation activities, provides state leadership functions, and has overall administrative and fiscal responsibility as the grantee to the U.S. Department of Education.

The Workforce Board shares the administrative funding and part of the state leadership funding provided under the Perkins Act. This amount (\$631,885) is unchanged since the passage of Perkins Act in 1998. This funding essentially provides for staff salaries, benefits, and goods and services. A total of 11 full-time equivalent staff and related costs is funded by the Perkins Act and required state match. These staff and their work are represented in the following areas, which are also supported through other funds.

Planning and coordination from the Partnerships Team and work on:

*High Skills, High Wages: Washington's Strategic Plan for Workforce Development*  
*The Workforce Development Directory*  
*Annual Progress Report to the Legislature*

Policy and evaluation from the Policy and Research Team and work on:

*Workforce Training Results and Net Impact Study (especially CTE)*  
*The Gap Between Demand, Supply, and Results for Postsecondary Workforce Education*  
*Demand, Supply, and Results for Secondary Career and Technical Education*  
*Consolidated Annual Report – Performance and Data Information*

Administration, including fund distribution, fiscal and program monitoring and reporting, financial and contract management, audit resolution, and technical assistance from the Program Management Team and work on:

*Washington State Four Year Plan for Vocational Education (Perkins Plan)*  
*Consolidated Annual Report – Program Narrative and Financial Report*  
*Where Are You Going? A Guide to Careers and Occupations in Washington State*  
*Washington Award for Vocational Excellence*

Leadership, coordination, communication, and advocacy from the Executive Director's Office and Special Assistant for Communication.

The Workforce Board provides for coordination with the Workforce Investment Act and other federal programs. This is especially critical since the Board itself functions as both the State Board for Vocational Education under the Perkins Act and the Workforce Investment Board called for in the Workforce Investment Act. Workforce Board staff have been instrumental in assisting national groups, other states, and the U.S. Office of Management and Budget, U.S. Department of Education, and U.S. Department of Labor in the performance and accountability arena.

While reauthorization of the Perkins Act looms on the horizon, it appears that continued emphasis on planning, accountability, and coordination will remain as foundational pieces in any subsequent legislation.

## PERKINS SECONDARY FUNDS

### ***QUICK FACTS:***

\$251,563,816 state funds spent on vocational enhancement  
 \$ 9,655,544 Perkins funds to secondary education (39.88% of grant)  
\$261,219,360 Perkins = 4% of total

Total state enrollment May 2004: 991,495  
 A. Total state enrollment grades 9 – 12: 303,975  
 B. CTE enrollment 9 – 12: 165,895 (55% of A)  
 C. CTE program completers (360 hours): 26,854 (9% of A; 16% of B)

CTE FTE enrollment 1998-9 53,693      2002-3 55,599

#### CTE enrollment by grade 2002-3:

9	42,601
10	40,264
11	40,602
12	41,798

#### CTE enrollment by sex:

Female	78,762 (47%)
Male	87,131

#### CTE completers by sex:

Female completer	11,977 (45%)
Male completer	14,877

#### CTE enrollment by race:

		Statewide 9-12 2002-03
Asian	12,066 (07%)	7.8%
Black	8,007 (05%)	5.0%
Hispanic	15,676 (09%)	9.0%
Native American	4,108 (02%)	2.6%
White	125,993 (76%)	75.6%

#### CTE completer by race:

Asian completer	1,662 ( 6%)
Black completer	967 ( 4%)
Hispanic completer	2,529 ( 9%)
Nat. Amer. Completer	566 ( 2%)
White completer	21,116 (79%)

CTE students earning industry certifications 2002-03: 1,098  
 (1<sup>st</sup> year required; 1<sup>st</sup> year counted)

### *TECH PREP:*

133,655 students earned TP credit in a course articulated with a postsecondary program

93,751 students earned college credits in those courses

35,689 students completed the secondary TP program

Washington has 248 districts with high schools. 238 districts receive state and federal vocational funding. The remaining 10 districts are small, rural and either find their allotments insufficient to support a continuing program or simply choose not to offer any CTE courses that would qualify for state or federal funding.

### **FUNDING:**

#### *State*

2003-4 grades 5-12 Basic Education Allocation is \$3926 per FTE.

State vocational enhancement \$ 740 per CTE FTE (\$4666 ttl).

Skills centers receive enhancement of \$1135 per FTE, which *includes* CTE \$

#### Expenditures per pupil

1998-9	\$3752	2002-2003	\$4139
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#### *Including Perkins:*

#### Expenditures per pupil

1998-9	\$3912	2002-3	\$4298
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### OSPI Expenditures:

#### *Administration:*

Perkins and state match support a CTE Director to supervise the CTE unit, manage the grant funds, and provide liaison with the 238 district CTE directors. Supports grants fiscal staff. Provides part support for staff to develop and support K12 transitions, career guidance, K12 transitions, and the requirements of the Office of Civil Rights.

#### *State Leadership:*

Supports pathway supervisors, and their assistants, who provide technical assistance and professional development for CTE programs in 238 districts. Supports specialist in new programs development and non-traditional program enhancement. Provides services by grants and contracts for:

- Graduate Follow-up Study and other performance data and analysis.
- Development of "Users Guide" website to increase student and parent access to career assessments, labor market information, postsecondary opportunities and other resources.
- Implementation of Navigation 101, an all-age, all-student curriculum for increasing student planning and increasing parental involvement.
- Vocational Administrator Internship.



- Professional development for CTE instructors, particularly in new technology and newly developed curriculum.
- Nontraditional career exposures, particularly for disadvantaged youth. Includes partnership with IGNITE, Expand Your Horizons, Boys/Girls Club, and others.

#### District Expenditures:

Local districts use Perkins to enhance and update CTE programs, as the grant intends. Many districts rely on Perkins funds to help with the rising costs of program operation, particularly equipment and supplies purchases. Other districts require Perkins funds to support professional development expenses. Perkins funds also help support activities that involve all programs, regardless of specialty, such as guidance.

Districts apply to OSPI for their Perkins allotments and must indicate how they will meet the required and permissive activities of the act. Districts are required to respond to all of the questions in the Perkins application – even if they do not plan to use Perkins funds to support that activity.

1. (Actually not a question. Defines the required and permissive activities of the Act.)
2. Describe how the district will use Perkins funds and local program activities to meet the state-defined Adjusted Performance Levels (percentages) assigned to each indicator.
3. A. Describe how the district will improve the academic and technical skills of students participating in CTE programs by strengthening the academic and CTE components of such programs through the integration of academics with CTE programs through a coherent sequence of courses to ensure learning in the core academic and CTE subjects.  
B. Describe how the district will provide students with strong experience in, and understanding of, all aspects of an industry (i.e., industry skill standards, certifications, career progressions, and management).  
C. Describe how the district will ensure that students who participate in CTE programs are taught to the same challenging academic proficiencies as are taught for all other students.
4. Describe how students, teachers, representatives of business and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of CTE programs assisted under this Act, and how such individuals and entities are effectively informed about, and assisted in understanding, the requirements of this Act.
5. Assurances (district provides names of district officials who affix signatures to a hard-copy of the assurance page – kept on file in the district)
6. Describe the process that will be used to independently evaluate and continuously improve the performance of the district's CTE program.

- 7 A. Describe how the district will review CTE programs to identify and adopt strategies to overcome barriers that would otherwise result in lowered rates of access to, or lowered success in, the programs for special populations.  
B. Describe how the district will provide programs that are designed to enable the special populations to meet the state adjusted levels of performance.
- 8 Describe how individuals who are member of the special populations will not be discriminated against on the basis of their status as members of special populations.
- 9 Describe how the district will promote preparation for non-traditional training and employment.
- 10 Describe how the district will provide comprehensive professional development to teachers, counselors, and administrators.

Additionally, over the last three years districts have been able to apply for set-aside funds for special pilot projects. Districts chose among the following options and created demonstration projects as a result:

#### 2002-03 Pilot Site Focus Areas

     Infuse industry-defined skills standards (IDSS) throughout the CTE curriculum; in exploratory courses, IDSS will be used to define occupation-specific skills and in preparatory programs, IDSS will be used to define skills needed for receipt of industry certification.

     Alignment of secondary and postsecondary CTE curriculum and student expectations/outcomes through the development of articulation agreements based on IDSS.

     Development of classroom-based assessments to measure student achievement of technical and academic competencies acquired through the use of curriculum based on IDSS.

     Documentation of improvement of academic achievement in mathematics and science in CTE courses as evidenced by the use of curriculum based on EALRs, IDSS, and assessments similar to those used in academic courses.

     Design and implementation of CTE course offerings and associated curriculum that documents a continuation of competency attainment based on IDSS.

2001-2002 Pilots focused on developing elements for the new program standards. Districts could choose among the following:

- Professional Development
- Curriculum Development (identify content area/s)
- Alignment of Curriculum/Standards with Postsecondary Programs/Standards
- Skills Standards Development (Curriculum and Assessments)
- Alignment with the EALRS and Goals 1-4
- Alignment with/inclusion of the 4 Ps
- Alignment with Career Clusters/Pathways
- Career Guidance
- Alignment of Curriculum with Industry Standards
- Industry Certificates/Certification (teachers and/or students)
- Leadership Development
- Work-based Learning Included for all programs
- Options for Nontraditional Training and Employment
- Options for Special Populations

- ☐ Formatting Local Documents to Align with the Standards
- ☐ Align District's Policies and Procedures with the Standards
- ☐ Other (please describe below)

*District expenditures:*

*State vocational enhancement:*

- spent 3.3% for capital (equipment)
- spent 0.7% for travel
- spent 5.5% for purchased services
- spent 8.3% for supplies and
- **spent 63% for salaries**

*Federal Perkins funds (averages 4% of their total funds)*

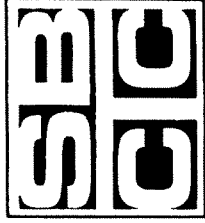
- 17% on capital
- 3% on travel
- 11% for purchased services
- 27% for supplies
- 12.5% for salaries

# **POST-SECONDARY PERKINS ACTIVITIES/OUTCOMES**

**Workforce Board**

**June 30, 2004**

**Spokane Community College**



**Jim Crabbe, Director of Workforce Education  
State Board for Community and Technical Colleges**



# **OUTLINE**

- **Overall Perkins Budget Summary**

- **Basic Grant**

- Goals/Outcomes**

- **Leadership**

- Goals/Outcomes**

- **Administration**

- **Tech Prep**

- **Goals/Outcomes**

- **Questions?**

# OVERALL BUDGET SUMMARY

<u>CATEGORY</u>	<u>FUNDING</u>	<u>PERCENT</u>
Base Program	10,553,507	77%
Leadership	796,857	6%
Administration	311,728	2%
Tech Prep	2,038,374	14%
<b>TOTAL</b>	<b>13,700,466</b>	<b>100%</b>

# **COLLEGE BASIC GRANT FORMULA**

---

**90%**

- **Economically Disadvantaged Populations**

- Last year's Pell, BIA, WRT, welfare and former welfare with vocational intent or basic skills

**10%**

- **Reserve**

- 90% Rural colleges
- 10% High vocational programming density

# **BASIC GRANT (cont.)**

**Required uses of funds: The Carl D. Perkins Vocational and Technical Education Act of 1998 requires that funds awarded under the Act must be used to provide vocational and technical education in programs that:**

- **Provide services that are of such size, scope and quality to be effective**
- **Strengthen the academic, and vocational and technical skills of students through the integration of academics with vocational and technical education programs through a coherent sequence of courses**
- **Provide students with strong experience in, and understanding of all aspects of an industry**
- **Develop, improve, or expand the use of technology in vocational and technical education**





# **BASIC GRANT (cont.)**

- **Provide professional development programs**
- **Develop and implement evaluations, including an assessment of how the needs of special populations are being met**
- **Initiate, improve, expand, and modernize vocational and technical education**
- **Link secondary and post-secondary education including the implementation of Tech Prep programs**
- **Support of your partnering One-Stop system**

# **BASIC GRANT (cont.)**

**Permissible use of funds: The Perkins Act also allows the use of funds under this Act for the following services and activities**

- **Courses**
- **Guidance and counseling**
- **Work-related experience**
- **Special populations**
- **Partnerships**
- **Organization**
- **Equipment**
- **In-service**
- **Support for family and consumer science programs**
- **Secondary education completion**
- **Employment assistance**
- **One-stop system support**
- **Other**



# **LEADERSHIP WORKFORCE EDUCATION COUNCIL**

**Best Practices:** Colleges used funds to identify and develop program-specific vocational technical curriculum projects, professional development practices, instructional materials and research that can be adapted for use at other campuses and programs.

The Best Practices currently fit under the following statewide initiatives: competency-based education; assessment and follow-up; curriculum development of projects; recruiting and advising; implementation of training appropriate to WorkFirst; business and industry partnerships for program improvement; adapting to emerging technologies; distance education; integration of basic skills; and other. (In 2003-04 - 43 grants were awarded.)

# **LEADERSHIP (cont.)**

## **Professional Development: Industry-based**

**Professional Development grants were used to enable vocational faculty to engage in return to industry activities to stay current with changes in their industry fields and the workplace, including new technologies, skill requirements, training and career development opportunities. (In 2003-04 - 91 grants were awarded.)**

# **LEADERSHIP (Cont.)**



- **Non-Traditional Training and Employment**
  - \$75,000 (\$5,000 per college)
- **Replication of Best Practices**
  - **Connections**
  - **Gifted Individuals Realizing Leadership Skills (GIRLS) – a non traditional summer camp**
  - **The Road Less Graveled**
  - **Try-a-Trade/Try-a-Technology**

# **LEADERSHIP (Cont.)**

---

- **Other Initiatives**

- **Integration Vocational/Adult Basic Education**
- **Economic Development Initiatives**
- **Student Leadership Activities**
  - **Skills oriented**
  - **Provide leadership competitions**
  - **Recognized state or national affiliation**  
**Examples: Skills/USA, DECA (Delta Epsilon Chi Assoc.), PBL (Phi Beta Lambda), and WPAS (Washington Post Secondary Agricultural Students)**
- **Staff Development Conferences**



# ADMINISTRATION

Our administration under both Perkins and Tech prep are used for the proper and efficient performance of our duties under the Perkins Act including supervision. It doesn't include curriculum development activities, personnel development, or research activities.

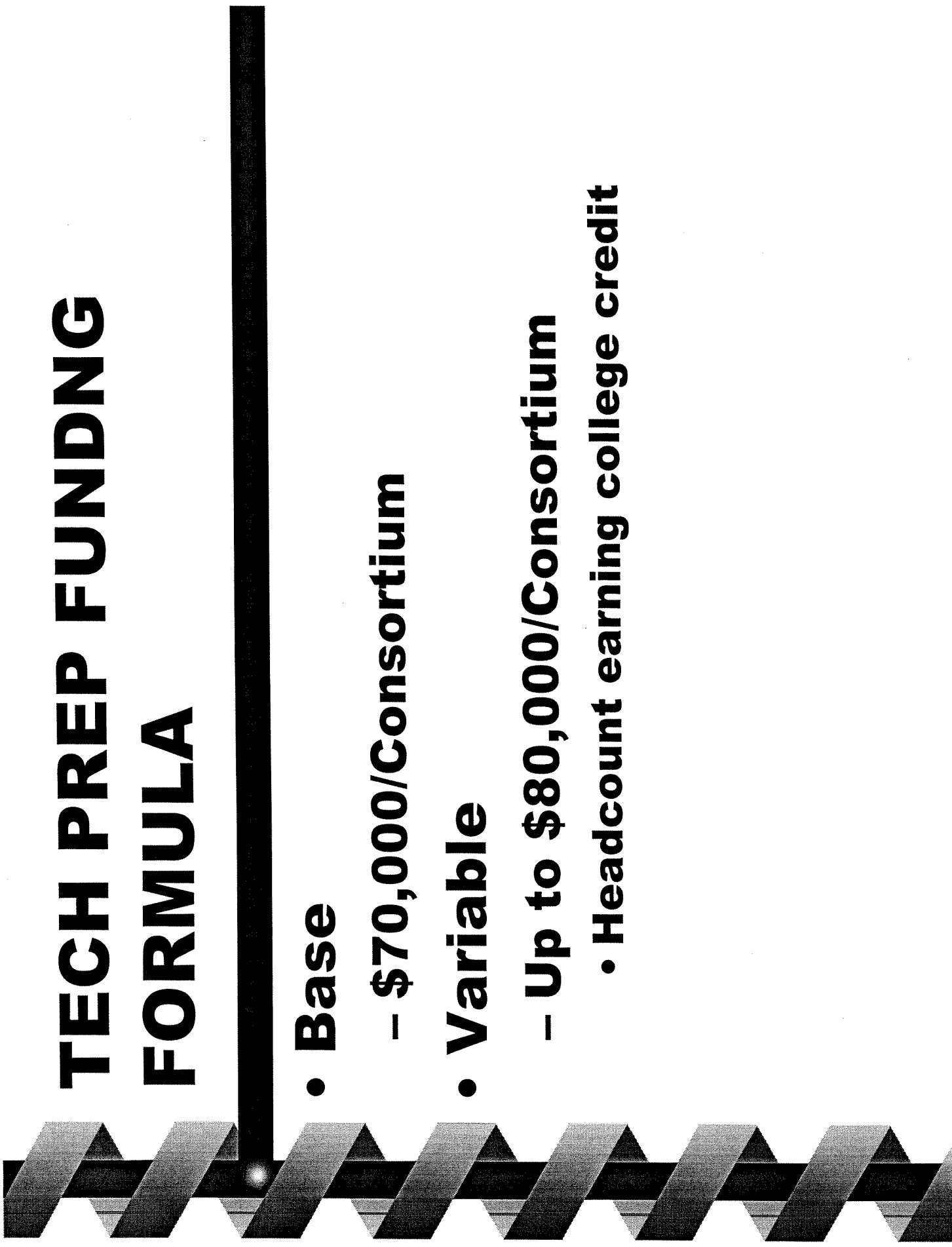
## Staff FTE Supported by the Funds

Perkins Administration                      5 FTE

Tech Prep Administration                      .75 FTE

In addition our administration funds are used for goods and services, travel, etc.

# **TECH PREP FUNDING FORMULA**

- 
- **Base**
    - **\$70,000/Consortium**
  - **Variable**
    - **Up to \$80,000/Consortium**
      - **Headcount earning college credit**



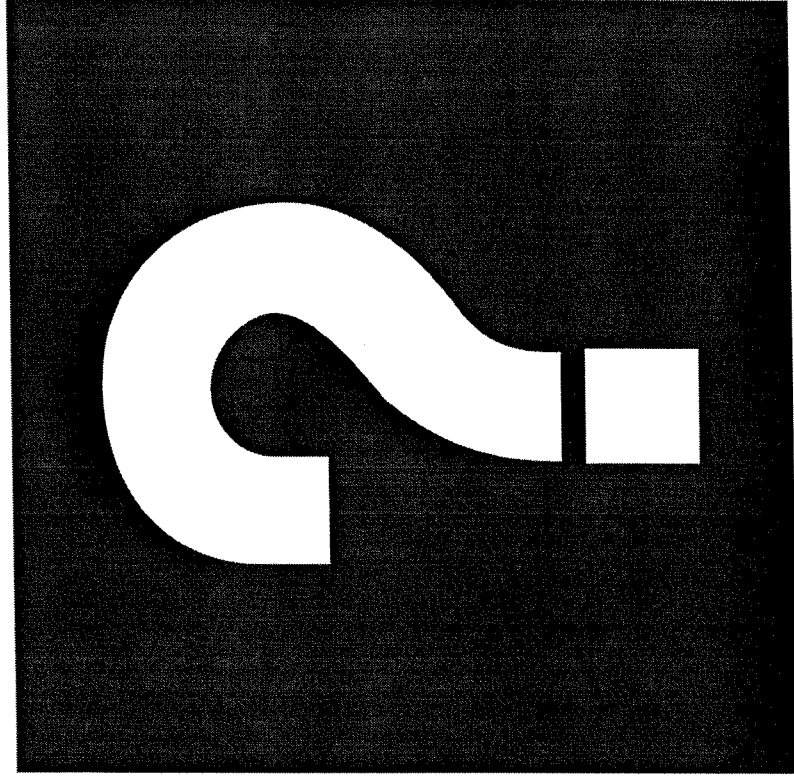


# **TECH PREP (Cont.)**

- **Goals**

- **Sustainability**
- **Accountability**
- **Industry standing in curricula**
- **Statewide Articulation**
  - **8,278 students getting college credit**

# QUESTIONS



## Fund Utilization Discussion Questions

Each year, the state receives approximately \$24 million in funding from the Carl D. Perkins Vocational and Technical Education Act. Of this amount, 97.5% of these funds flow to the secondary and postsecondary delivery systems to conduct activities and provide services that are identified in the legislation. At the same time, there is a general understanding that the Perkins Act programs fit within the broad goals and objectives of *High Skills, High Wages: Washington's Strategic Plan for Workforce Development*. The purpose of this discussion is to explore ways to improve the connection between the Perkins program and the state's strategic plan by impacting the fund distribution process.

The first step is in understanding what currently occurs in the use of Perkins Act funding through the delivery systems. This will be presented at the June 30, 2004 meeting. The next step is to see where there may be opportunities to use the Perkins Act funding to more deliberately meet the goals, objectives, and strategies of the state's strategic plan. To assist in this discussion, the following questions are provided. Board members may have additional questions.

### State Leadership

To what extent should there be an emphasis on using required and/or permissive activities that relate more directly to the state's strategic plan?

To what extent should there be required minimal funding amounts for specific activities to insure capacity and attainment of goals and outcomes?

To what extent should there be enhanced coordination and collaboration between the secondary and postsecondary systems through either funding mandates or cross-system initiatives?

### Basic Grant

To what extent should there be an emphasis on using required and/or permissive activities that relate more directly to the state's strategic plan?

To what extent should local applications for funding address applicable strategic plan goals, objectives and strategies in greater detail?

Should there be a review of the current distribution between secondary (44%) and postsecondary (56%)?

The current 10% reserve has considerable discretion. To what extent should this reserve be identified as a source of funding to impact strategic plan goals, objectives, and strategies?

# **TAB 8**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**DEMAND, SUPPLY, AND RESULTS FOR POSTSECONDARY CAREER AND  
TECHNICAL EDUCATION**

Every two years the Workforce Training and Education Coordinating Board assesses the supply and demand for workforce training. This tab presents that part of the assessment dealing with career and technical education at the community and technical colleges. It includes an analysis of how many more students need to be enrolled in the two-year colleges in order to close the gap between supply and demand. The Governor's Office, the Office of Financial Management, legislators, legislative staff, and the State Board for Community and Technical Colleges use the biennial assessment in planning and budgeting for higher education enrollments.

The paper also includes information on the results of postsecondary career and technical education that has been shared previously with the Board.

**Board Action Required:** None. For informational purposes only.

## **Demand, Supply, and Results for Postsecondary Career and Technical Education**

### **Employers Report a Shortage**

When surveyed in 2003, 67 percent of Washington employers who recently attempted to hire workers with postsecondary vocational training reported difficulty finding qualified job applicants. This shortage of vocationally trained workers affected over 17,000 employers; more employers than were affected by shortages of other kinds of workers.

### **Demand for New Workers**

Washington employers are expected to need 28,600 new workers in 2007 and 29,700 new workers in 2010 with more than one year and up to but less than four years of postsecondary education or training.

### **Supply of Newly Prepared Workers**

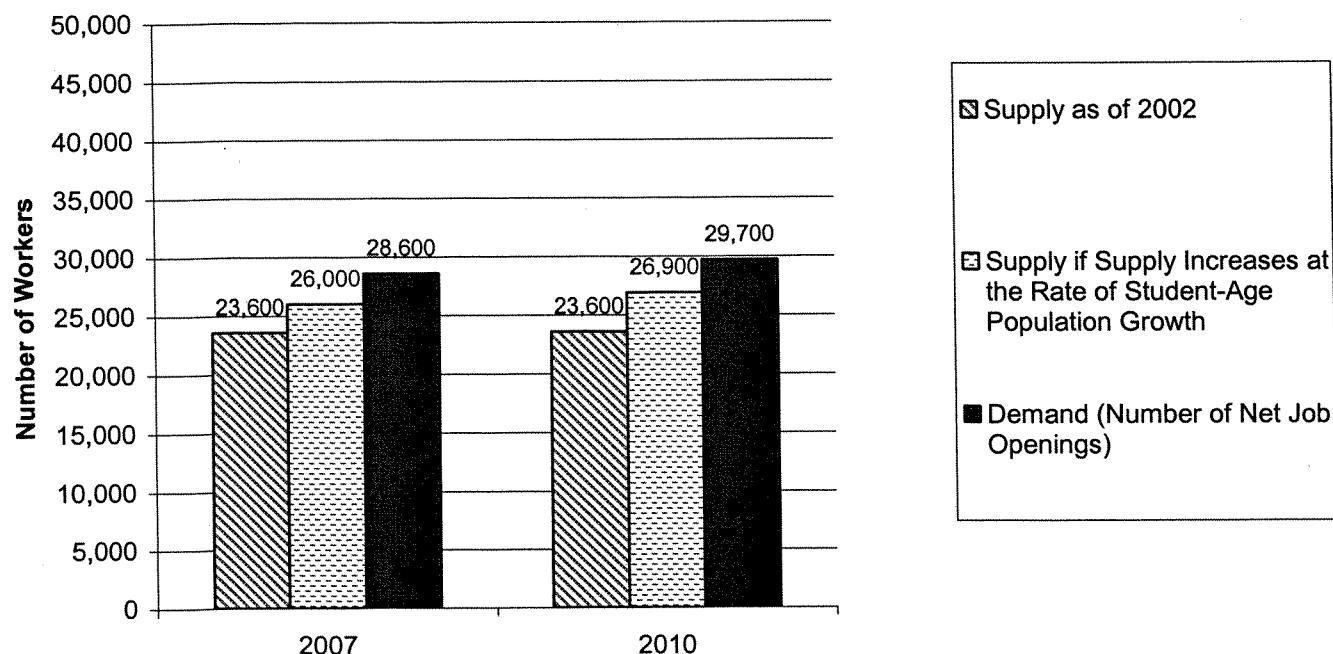
The supply of postsecondary workforce training at this level consists of community and technical colleges, private career schools, and apprenticeship programs. During the 2001-02 school year the colleges prepared 17,500 new workers, apprenticeship programs 1,700 workers, and private schools 4,400 workers, for a total of 23,600 newly prepared workers available to fill job openings requiring more than one year but less than four years of postsecondary training.

### **The Gap between Supply and Demand**

As shown in Figure 1, if there is no increase in supply from the 2001-02 school year, the supply of newly prepared workers will be 82.5 percent of expected demand in 2007 and 79.5 percent of expected demand in 2010.

If the number of newly prepared workers grows at the same rate as the state's college-age population, the supply will be larger, but still not large enough to close the gap in meeting employer demand.

**Figure 1. Gap Between Supply and Demand for Postsecondary Workforce Education**



### How Many More Workforce Students are Needed to Close the Gap?

Given a gap of 6,100 workers between the most recent supply and expected demand in 2010, how many more workforce education students are needed to close the gap? The answer is far more than 6,100 students. Since many students leave school early or attend remedial classes, it takes 3.17 Full-Time Equivalent (FTE) students to produce one newly prepared worker.

Figure 2 shows the number of additional student FTEs that are required each year in workforce education between the 2002 and 2010 under different scenarios.

**Figure 2. Annual Workforce Student FTE Increases Required between 2002 and 2010 In order to Close the Gap Under Different Assumptions**

Percent of Gap Closed by 2010	No Efficiency Gain	10 Percent Efficiency Gain
100 Percent	2,800 More FTEs	1,900 More FTEs
75 Percent	1,700 More FTEs	1,400 More FTEs
50 Percent	1,400 More FTEs	900 More FTEs

It should be noted that these are the number of community and technical college **workforce education student FTEs** that are required. Only about half of student FTEs at the colleges are in workforce education. Budget enhancements for the community and technical colleges, unless earmarked for workforce education, would have to fund about twice as many student FTEs as shown in the figure in order to close the gap.

### **The Effectiveness of Postsecondary Workforce Education**

The outcomes of workforce education at the community and technical colleges are quite strong. Program completers earn \$22,281 per year (about \$12.80 per hour) by the third quarter after exit. Eighty-nine percent of the former students report that they are either very or somewhat satisfied with their program. Ninety-three percent of employers who recently hired a workforce education completer are either very or somewhat satisfied with the overall quality of their work.

The outcomes are better than those for similar individuals who did not participate in any workforce development program. Figure 3 shows the net impacts for workforce education students over and above the outcomes for comparison groups of individuals with similar demographic characteristics, work history, and education. The Figure shows the results for two parts of workforce education: Job Preparatory Training and Worker Retraining.

**Figure 3. Net Impacts of Community and Technical College Workforce Education  
(Based on the third year after training)**

	Employment Rate	Annual Earnings
<b>Job Preparatory</b>		
All Students	+ 7 percent	+ \$4,700
Program Completers	+ 10 percent	+ \$6,100
<b>Worker Retraining</b>		
All Students	+ 6 percent	+ \$1,700
Program Completers	+ 11 percent	+ \$2,200

The net increase in student earnings of their working lives will generate tax revenues that far exceed the taxpayer cost of the programs. As shown in Figure 4, both the **Job Preparatory Program** and the **Worker Retraining Program** will generate tax revenues that are about three-and-a-half times the cost of the program.



**Figure 4. Lifetime Net Benefits and Costs of Workforce Education  
at Community and Technical Colleges  
Per Student and the Public**

	Job Preparatory Training Student	Job Preparatory Training Public	Worker Retraining Student	Worker Retraining Public
Earnings	+ \$94,888		+ \$51,771	
Fringe Benefits	+ \$19,253		+ \$13,354	
Taxes	- \$24,210	+ \$24,210	- \$16,666	+ \$16,666
Program Cost	- \$3,118	- \$6,916	- \$2,133	- \$4,692

# **TAB 9**

**WASHINGTON STATE  
WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD  
MEETING NO. 98  
JUNE 30, 2004**

**WORKSOURCE PERFORMANCE INDICATORS: SECOND ANNUAL REPORT**

In November and December of 2000, the Workforce Training and Education Coordinating Board (Workforce Board) and the Executive Policy Council for WorkSource, respectively, adopted the policy for measuring WorkSource outcomes. The policy directed the Workforce Board to measure the results of WorkSource and develop the measures to be used. Included in the tab is a report providing these results.

Most of the results are for participants who exited WorkSource services between July 2001 and June 2002, with the exception of results based on survey data. The survey data are for WorkSource participants who exited from July 2002 through June 2003. The survey of WorkSource staff took place during June 2004.

Included in the data are participants in the Wagner-Peyser Labor Exchange and Workforce Investment Act Title I-B programs. The largest number of participants, by far, was from the Labor Exchange.

The accountability plan for WorkSource indicates that once baseline data are established the Workforce Board will set targets for future performance both for the state as a whole and for the Workforce Development Areas in cooperation with Workforce Development Councils and local elected officials.

**Board Action Required:** None. For informational purposes only.



# WORKSOURCE PERFORMANCE INDICATORS: SECOND ANNUAL REPORT

## Background

The Workforce Training and Education Coordinating Board (Workforce Board) and the Executive Policy Council adopted an accountability plan for WorkSource. The plan includes WorkSource performance indicators that should inform policymakers on the progress in achieving desired outcomes. This document presents estimates for many of these indicators. Unless otherwise noted, estimates are for participants who left WorkSource between July 2001 and June 2002.

WorkSource participants include individuals and employers who receive services through a WorkSource Center or an affiliate site providing services funded under Workforce Investment Act (WIA) Title I and WIA Title III (Wagner-Peyser). The Wagner-Peyser funded Labor Exchange serves participants from a variety of partner programs.

## The Data

Indicators were estimated using data from administrative records and surveys. The administrative data included records on WIA Title I-B participants and Labor Exchange registrants. The WIA participants include disadvantaged adults, dislocated workers, and disadvantaged youth who exited programs from July 2001 through June 2002. The Labor Exchange participants include individuals who registered from July 2001 through June 2002, received services during this period, and had no recorded service (for at least six months) after June 2002.

Survey data are taken from WIA satisfaction surveys and a survey of Labor Exchange registrants. The survey data are available for more recent program exiters (July 2002 to June 2003).

## Types of Outcomes Measured

The performance indicators measure four types of outcomes—competencies, employment, earnings, and customer satisfaction. Who is included in the measures for particular outcomes depends upon the services received, as shown in the following table.

Type of Outcome	WorkSource participants count who receive the below service(s)
Competencies	Training
Employment	Staff assisted core services, intensive services, and training services
Earnings	Intensive services, training services
Customer Satisfaction: Participants	Staff assisted core services, intensive services, and training services
Customer Satisfaction: Employers	Employers with services recorded in Services, Knowledge and Information Exchange System (SKIES), such as job listings, job applicant referrals, business assistance, needs assessment, and worker adjustment and retraining (WARN) activities

Most Labor Exchange registrants do not receive intensive training services. Thus, we have used data for only WIA participants to estimate outcomes for competencies and earnings. Both Labor Exchange registrants and WIA participants were used to estimate outcomes for employment and participant satisfaction.

## **The WorkSource Performance Indicators**

### **(1) Percentage of employers using WorkSource services**

**Estimate: 6 percent, down from 7 percent last year**

Description: The denominator is the total number of employers (224,779) as measured by the Employment Security Department, and the numerator (13,284) is the number of employers who used staff-assisted Labor Exchange services.

Periods: April 2002 to March 2003.<sup>1</sup> Last year: July 2000 to June 2001

### **(2) Percentage of total workers using WorkSource services**

**Estimate: 9.5 percent, down from 10 percent last year**

Description: The denominator is the number of individuals in the civilian labor force (3,024,000). The numerator is the number of staff-assisted participants (286,948) in WIA and Labor Exchange.

Period: April 2002 to March 2003. Last year: July 2000 to June 2001

### **(3) Customer perception of seamlessness**

**Estimate: 79 percent, up from 78.1 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B	7,359	79.9%
Labor Exchange	280,878	79.1%
All Combined	288,237	79.1%

Description: This measure is based on responses to a state administered survey of WIA Title I-B participants and Labor Exchange registrants. The estimate is the percentage of respondents who said the state did an excellent or good job in making the program easy to use.<sup>2</sup> Responses were weighted to reflect the actual number of WIA Title I-B exiters and Labor Exchange participants across programs and regions of the state.

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<sup>1</sup> The SKIES data reporting system became operational in April 2002. In order to provide a consistent estimate for this measure, which relies on a single source of data on employers using Labor Exchange services, the time period from April 2002 through March 2003 was selected.

<sup>2</sup> The survey question read as follows: "Washington State is working on providing easier to use services. That means trying to make sure that people don't have to repeat what they need or supply personal information too many times. In your experience with this program would you say that they did an excellent, good, fair or poor job in making the program easy to use in these ways?"

Period: Survey of participants who exited or received services from July 2002 through June 2003. Last year's survey results were from participants who exited or received services from July 2002 through November 2002. The two groups overlap.

#### (4) Staff perception of integration

**Estimate: 2.9 on a scale of 1 to 4, unchanged from 2.9 reported last year**

Description: The measure is based on 158 responses to a survey of WorkSource Center staff. The survey was sent to the administrators of 26 WorkSource Centers throughout the state. The administrators forwarded the survey to their staff; who sent their responses directly to the Workforce Board.

The survey instrument contains four questions, which have responses on a scale of 1 to 4. The estimate is the overall mean of the responses to the four questions. (Please see Appendix 1 for a copy of the survey instrument.)

Period: Survey administered during June 2004. Last year's survey was administered in March 2003 and had 239 responses.

Summary of Responses: WorkSource staff were asked to review the list of characteristics below and indicate the extent to which each characteristic currently exists at their WorkSource Center, where 1 is "Not At All" and 4 is "Completely."

Characteristic	Extent to which characteristic currently exists				
	Not at All			Completely	Don't Know
	1	2	3	4	9
1. WorkSource staff are knowledgeable regarding the programs and services of other partners. (Mean = 2.9; 3.0 last year)	4 2%	32 20%	88 57%	29 18%	5 3%
2. Customer data (e.g., intake information) are shared efficiently among partner programs. (Mean = 2.9; 3.0 last year)	6 4%	38 24%	69 44%	35 22%	10 6%
3. Local programs and services are coordinated to avoid duplication of partner effort. (Mean = 2.9; 3.0 last year)	7 4%	33 21%	74 47%	33 20%	11 8%
4. Customers encounter no obstacles caused by services being provided by different programs and funding sources. (Mean = 2.8; 2.8 last year)	6 4%	39 25%	71 45%	25 16%	17 10%

### **(5) Number of students who are WorkSource participants**

**Estimate: 36,984 (6,346 WIA and 30,638 Labor Exchange), up from 30,000 last year.**

Description: The measure is the number (an unduplicated count) of students at community and technical college, public four-year universities, private career schools, and apprentices who are WorkSource participants.<sup>3</sup> Last year's count did not include public four-year universities, private career schools or apprentices.

Period: July 2001 to June 2002. Last year: July 2000 to June 2001.

### **(6) Credential rate**

**Estimate: 84.6 percent, up from 74.5 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,309	84.3%
WIA Title I-B Dislocated Workers	3,038	84.6%
WIA Title I-B Youth	158	89.2%
All Combined (Unduplicated)	4,462	84.6%

Description: The State Credential Rate measure is the percentage of participants who obtained an appropriate credential. Counts increased due to more complete tracking by WIA programs.

Population: WIA Title I-B participants who received training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

### **(7) Employment and credential attainment**

**Estimate: 65.3 percent, up from 60.0 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,309	67.6%
WIA Title I-B Dislocated Workers	3,038	64.5%
WIA Title I-B Older Youth	63	57.1%
All Combined (Unduplicated)	4,380	65.3%

Description: The measure is the percentage of participants who became employed and completed training, among those who received training services. The estimate follows the methodology specified for the Federal Employment and Credential performance measure for WIA Title I-B. Counts increased due to more complete tracking by WIA programs.

Population: WIA Title I-B participants who received training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

---

<sup>3</sup> The estimate includes a count of WorkSource participants enrolled in all community and technical college programs; not just the workforce programs.



## **(8) Employment or further education**

**Estimate: 62.0 percent, down from 65.8 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	2,091	69.2%
WIA Title I-B Dislocated Workers	3,828	73.1%
WIA Title I-B Youth	2,140	68.6%
Labor Exchange	188,447	61.6%
All Combined (Unduplicated)	195,556	62.0%

Description: The state employment measure for adults and dislocated workers is calculated for participants who are not in further education or training in the third quarter after exit. All youth are included in the measure, which counts employment, further education or training, or enrollment in secondary education as positive results.

Population: WIA Title I-B participants and Labor Exchange registrants (Washington Residents) who received core, intensive, and/or training services.<sup>4</sup>

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

## **(9) Entered employment rate**

**Estimate: 60.0 percent, down from 64.4 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,883	76.0%
WIA Title I-B Dislocated Workers	4,142	76.4%
WIA Title I-B Older Youth	330	63.9%
Labor Exchange	182,709	59.5%
All Combined (Unduplicated)	188,294	60.0%

Description: The measure is the percentage of participants not employed at program registration who were employed during the first quarter after exiting the program. The estimate follows the methodology specified for the Federal Entered Employment Rate performance measure for WIA Title I-B.<sup>5</sup>

Population: WIA Title I-B participants and Labor Exchange registrants (Washington Residents) who received core, intensive, and/or training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

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<sup>4</sup> Labor Exchange does not record exits, which are needed to measure the state and federal WIA indicators. So, the last date of service for a registrant was used as the exit date. If the last date of service was after June 2002 the participant is regarded as still active (not an exiter) and is not in these measures.

<sup>5</sup> Labor Exchange populations are defined using the same definitions that would be applied to WIA populations. That means that outcomes are defined differently depending on whether the Labor Exchange participant is an Adult, Dislocated Worker, Older Youth, or Younger Youth.

## **(10) Retention in employment**

**Estimate: 81.6 percent, unchanged from 81.4 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,760	82.4%
WIA Title I-B Dislocated Workers	3,166	87.7%
WIA Title I-B Older Youth	251	78.9%
WIA Title I-B Younger Youth	1,275	63.4%
Labor Exchange	121,979	81.7%
All Combined (Unduplicated)	127,730	81.6%

Description: For most populations the measure is the percentage of participants who entered employment during the first quarter after exiting the program and who were employed during the third post-program quarter. For younger youth the measure is the percentage employed or enrolled in further education or training during the third post program quarter. The estimate follows the methodology specified for the Federal Employment Retention performance measure for WIA Title I-B.

Population: WIA Title I-B participants and Labor Exchange registrants (Washington Residents) who received core, intensive, and/or training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

## **(11) Earnings**

**Estimate: \$19,904, down from \$20,824 last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,327	\$17,134
WIA Title I-B Dislocated Workers	2,611	\$25,781
WIA Title I-B Youth	761	\$8,449
All Combined (Unduplicated)	4,674	\$19,904

Description: The state earnings measure is the median annualized earnings of former participants during the third quarter after leaving the program. (Only former participants not enrolled in further education are counted for this indicator. Earnings are expressed in 2003 quarter 1 dollars.)

Population: WIA Title I-B participants who received intensive and/or training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001

## **(12) Earnings gain**

**Estimate: \$3,627, down from \$3,738 last year (Adults & Older Youth), 74.7 percent, down from 85.7 percent last year (Dislocated Workers)**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B Adults	1,615	\$3,741
WIA Title I-B Older Youth	244	\$2,846
Combined (Unduplicated)	1,850	\$3,627
WIA Title I-B Dislocated Workers <sup>6</sup>	2,845	74.7%

Description: The measure is the difference between earnings in the second and third quarters after exit and preregistration earnings (based on average earnings in the second and third quarters before registration for adults, and the second and third quarters before job dislocation for dislocated workers). The estimate follows the methodology specified for the Federal Earnings Gain performance measures for WIA Title I-B.

Population: WIA Title I-B participants who received intensive and/or training services.

Period: July 2001 through June 2002. Last year: July 2000 through June 2001.

## **(13) Employer satisfaction**

**Estimate: 67.8 on a scale of 0 to 100, up from 67.0 last year**

Description: The measure is based on responses to the three federal questions that gauge satisfaction with employer services.<sup>7</sup> The responses to these questions are converted to a satisfaction index with scores ranging from 0 to 100. Responses are weighted by region to reflect the number of employers receiving services statewide.

Population: Employers receiving employer services; primarily job orders, job referrals, and warn notices.

Period: Survey of employers who received services between July 2002 and June 2003. Last year's survey results were for employers who received services between July 2002 and November 2002. The two groups overlap.

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<sup>6</sup> This figure is considerably lower than the 83.7 percent result for dislocated workers with local Dislocated Worker funding (N = 1,959). Dislocated workers with National Reserve Grants and other statewide funds had an earnings gain rate of 57.1 percent (N = 886).

<sup>7</sup> These questions are: (1) Utilizing a scale of 1 to 10, where 1 means 'very dissatisfied' and 10 means 'very satisfied,' what is your overall satisfaction with the services provided from a Washington State WorkSource Office or Workforce Development Program? (2) Considering all of the expectations you may have had about the services, to what extent have the services met your expectations? One now means 'falls short of my expectations' and 10 means 'exceeds my expectations.' (3) Now think of the ideal service or services for a company in your circumstances. How well do you think the service or services you received compare with the ideal service or services? One now means 'not very close to the ideal' and 10 means 'very close to the ideal.'

#### **(14) State measure of participant satisfaction**

**Estimate: 86.8 percent, up from 86.3 percent last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title 1-B	7,357	90.1%
Labor Exchange	280,876	86.7%
Combined	288,233	86.8%

Description: The measure is based on survey responses from WIA Title I-B participants and Labor Exchange registrants. The estimate is the average of the percentage of respondents who reported overall satisfaction with program services and the percentage who said that program services met their objectives. Responses are weighted to reflect the actual number of WIA Title I-B exiters and Labor Exchange participants across programs and regions of the state.

Period: Survey of participants who exited from July 2002 through June 2003. Last year's survey results were from participants who exited from July 2002 through November 2002. The two groups overlap.

#### **(15) Federal measure of participant satisfaction**

**Estimate: 69.9 on a scale of 0 to 100, up from 69.5 last year**

<u>Group</u>	<u>Number</u>	<u>Outcome</u>
WIA Title I-B	7,359	74.9
Labor Exchange	280,876	69.8
Combined	288,235	69.9

Description: The measure is based on surveys of former WIA Title I-B participants and Labor Exchange registrants. The estimate uses responses to the three federal questions that gauge participant satisfaction with services.<sup>8</sup> The responses to these questions are converted to a satisfaction index with scores ranging from 0 to 100. Responses are weighted to reflect the actual number of WIA Title I-B exiters and Labor Exchange participants across programs and regions of the state.

Period: Survey of participants who exited between July 2002 and June 2003. Last year's survey results were from participants who exited from July 2002 through November 2002. The two groups overlap.

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<sup>8</sup> These questions are: (1) Utilizing a scale of 1 to 10, where 1 means 'very dissatisfied' and 10 means 'very satisfied,' what is your overall satisfaction with the services provided? (2) Considering all of the expectations you may have had about the services, to what extent have the services met your expectations? 1 now means 'falls short of my expectations' and 10 means 'exceeds my expectations.' (3) Now I want you to think of the ideal program for people in your circumstances. How well do you think the services you received compare with the ideal set of services? One now means 'not very close to the ideal' and 10 means 'very close to the ideal.'

## Appendix 1: WorkSource Center Staff Survey Instrument

We would like your assessment of the progress that has been made towards building an integrated and efficient workforce development system at your WorkSource Center. In a system that is well integrated, for example, employers and job seekers encounter no obstacles arising from services being provided by different programs and funding sources.

The workforce development system includes partner programs that provide:

- job training
- employment services
- business services
- work-related support services
- adult education and literacy
- vocational rehabilitation
- secondary vocational education
- postsecondary vocational education

Please review the list of characteristics below and indicate the extent to which each characteristic currently exists at your WorkSource Center, where 1 is “Not At All” and 4 is “Completely.” Your answers will be kept confidential.

Characteristic	Extent to which characteristic currently exists				
	Not at All			Completely	Don't Know
	1	2	3	4	9
1. WorkSource staff are knowledgeable regarding the programs and services of other partners.					
2. Customer data (e.g., intake information) are shared efficiently among partner programs.					
3. Local programs and services are coordinated to avoid duplication of partner effort.					
4. Customers encounter no obstacles caused by services being provided by different programs and funding sources.					

Please e-mail or mail your completed survey to Barbara Mix ([bmix@wtb.wa.gov](mailto:bmix@wtb.wa.gov)) at the Workforce Training and Education Coordinating Board by June 4. Thank you.

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**Appendix 2: WorkSource Performance Indicators  
as measured in the First and Second Annual Reports**

WorkSource Indicator	First Annual Report	Second Annual Report
(1) Percentage of employers using WorkSource services	7 percent	6 percent
(2) Percentage of total workers using WorkSource Services	10 percent	9.5 percent
(3) Customer perception of seamlessness	78.1 percent	79 percent
(4) Staff perception of integration	2.9 on a scale of 1 to 4	2.9 on a scale of 1-4
(5) Number of students who are WorkSource participants	30,000	36,984
(6) Credential rate	74.5 percent	84.6 percent
(7) Employment and credential attainment	60 percent	65.3 percent
(8) Employment or further education	65.8 percent	62.0 percent
(9) Entered employment rate	64.4 percent	60.0 percent
(1) Retention in employment	81.4 percent	81.6 percent
(11) Earnings	\$20,824	\$19,904
(12) Earnings gain (Adults and Older Youth)	\$3,738	\$3,627
(12) Earnings gain (Dislocated Worker)	85.7 percent	74.7 percent
(13) Employer satisfaction	67.0 on a scale of 0 to 100	67.8 on a scale of 0 to 100
(14) State measure of participant satisfaction	86.3 percent	86.8 percent
(15) Federal measure of participant satisfaction	69.5 on a scale of 0 to 100	69.9 on a scale of 0 to 100

NOTE: The time periods used measures (5) through (12) were July 2000 through June 2001 for the first annual report and July 2001 through June 2002 for the second annual report. The time periods used for survey measure (3) and measures (13) through (15) were July 2002 through November 2002 for the first annual report and July 2002 through June 2003 for the second annual report. The time periods used for participation measures (1) and (2) were July 2000 through June 2001 for the first annual report and April 2002 through March 2003 for the second annual report. The survey of staff perception of integration (4) was conducted in March 2003 for the first annual report and June 2004 for the second annual report.